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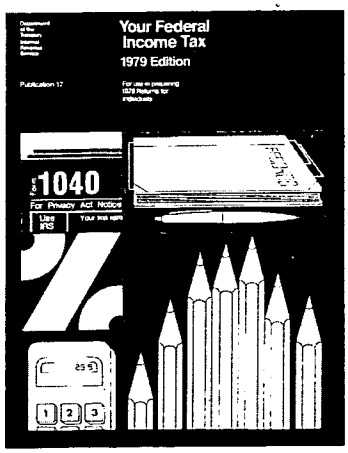
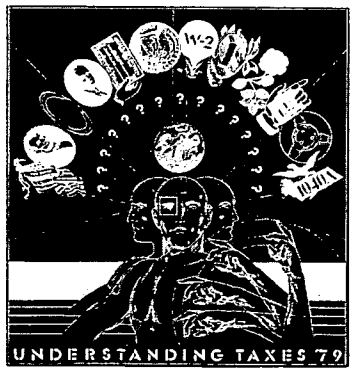
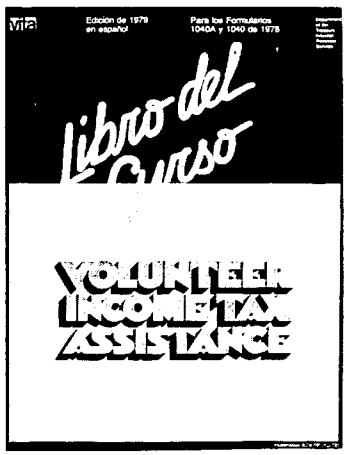
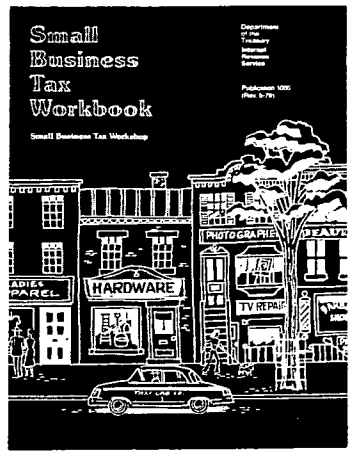
Annual Report Commissioner of Internal Revenue



The cover shows some of the many free publications produced by the Internal Revenue Service to explain the tax law and to make it easier for taxpayers to fill out their returns.

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# 1979 Annual Report

Commissioner of Internal Revenue

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Department of the Treasury
**Internal Revenue Service**
Publication 55

# Introduction

This year I'm pleased to report that a number of organizational changes have been implemented and appear to be accomplishing the intended goals. The changes were undertaken last year to implement recommendations made in a study conducted by senior IRS career executives.

The change most directly affecting taxpayers was the modification of our administrative appeals procedure by consolidating the former two levels of appeal into a single appeal structure at the regional level. This system is now fully in effect and is resulting in the more expeditious handling of controversies at less expense to both taxpayers and the IRS. We continue to hold appeals conferences at all locations where district conferences were formerly held with the result that taxpayers have conveniently available to them a regional appeals officer with full settlement authority.

We believe the change in settlement procedures of docketed Tax Court cases is working effectively to utilize our resources better and to provide a more orderly procedure for handling the increasing volume of docketed cases.

The streamlining of our smallest districts has been accomplished smoothly. We are realizing savings at no loss of service to taxpayers.

Separating functions involving service to the public from those involving compliance has increased our emphasis on taxpayer service as well as permitted better integration of our collection activities with related compliance functions.

Notwithstanding our increased emphasis on taxpayer problems, it seems clear that some of these will continue to "slip through the cracks." If this occurs in even a very small percentage of the huge number of matters we handle the number of such cases will be large. To address this problem we instituted our problem resolution program (PRP) on an experimental basis in 1977 to provide a separate function to handle persistent taxpayer problems — those not satisfactorily resolved through normal channels. PRP is now fully operational in all of our 58 districts and 10 service centers with problem resolution officers who have the ability and know-how to cut through red tape quickly on behalf of taxpayers. About 72,000 taxpayer problems were successfully resolved through this procedure in 1978 and a number of systems changes identified by this program have been made to improve IRS efficiency and responsiveness.

A sample followup with taxpayers whose problems were handled through PRP found a high degree of satisfaction, but I will not be satisfied as long as some taxpayer complaints and problems persist. Therefore, as the year ended we were planning to set up an ombudsman-like position in my immediate office to have broad authority over PRP and to serve as an advocate for taxpayers.

Our forms and instructions are a matter of continuing concern. The challenge of presenting and explaining a complex law in an understandable way is formidable and we devote substantial effort to this problem. In addition to our normal work in this area we have formed a high-level task force to consider longer-range possibilities. We have engaged a private firm to review all the individual tax return forms, schedules and instructions and to make recommendations for redesign and rewriting. This effort should be completed in the fall of 1980 when we will start evaluating and testing any recommended alternatives.

While it is important that we constantly look for ways of simplifying the burden of reporting, frequent changes should be avoided. There is great value in taxpayers' familiarity with our forms. I'm, therefore, pleased that the 1979 forms follow the 1978 forms except for a few changes required by new legislation.

There is no doubt that better taxpayer assistance, more sensitive responsiveness to taxpayer complaints and problems and simpler tax forms and instructions are of great importance in achieving a high level of voluntary compliance with our tax laws. But our enforcement efforts also are crucial. Any significant noncompliance is a matter of deep concern to the IRS, Congress and the taxpaying public. Beyond the tax revenues lost when income is not reported is the basic question of fairness to taxpayers who voluntarily obey the laws.

Since the mid-Sixties the IRS has regularly measured compliance on filed returns through its taxpayer compliance measurement program (TCMP). As an adjunct to our audit program, TCMP is an effective tool to measure the unreported income detectible by normal audit procedures and to develop the computer formulae used to identify returns for audit. It does not, however, measure the unreported income of those who fail to file returns nor certain types of income not readily detectible by normal audit procedures, such as income from illegal sources.

In 1978 I appointed a study group to prepare estimates of unreported income. The group's report, *"Estimates of Income Unreported on Individual Income Tax Returns,"* was released in August 1979. This report, using data for the 1976 tax year, marks our first effort to measure unreported individual income.

The report estimates that individuals failed to report $75 billion to $100 billion in income from legal activities, with a resulting revenue loss of $13 billion to $17 billion. Unreported income from certain illegal sources – narcotics, illegal gambling and prostitution – was estimated to be between $25 billion and $35 billion, and cost the government approximately $6 billion to $9 billion in lost tax revenues.

To put these figures in context, in the same tax year individuals voluntarily reported nearly $1.1 trillion in income and paid a total of $142 billion in income taxes.

The report lends considerable weight to conclusions drawn from past TCMP studies that voluntary reporting is highest when incomes are subject to tax withholding. Incomes subject to information reporting show a lower compliance level but still much higher than incomes subject to neither withholding nor information reporting.

In fairness to the millions of taxpayers who voluntarily file, report all their income and pay the tax due, we must strengthen current compliance efforts and, where called for, plan innovative actions to find and tax unreported income.

A Treasury legislative proposal, currently under consideration by Congress, to withhold taxes from certain independent contractors would be a major step in dealing with one area of low compliance.

Our program to match information documents filed by payers of wages, dividends, interest and certain other payments with income tax returns has become an increasingly important tool to identify cases of underreporting of income and nonfiling of returns. The number of documents matched has been increasing substantially and with the full implementation of the combined annual wage reporting system will reach 400 million or about 80 percent of the total filed.

Our document matching activity has been separate from our examination program and has not affected the selection of returns for audit or their actual audit. However, in the next filing season, a printout of the information documents processed will be associated with returns selected for the examination program so that the information will be available to tax return classifiers and to return examiners. Since these documents will also be used during TCMP audits, the accuracy of the results of that program should also be improved.

In last year's report I noted our increasing concern about the use of abusive tax shelters – those which take positions beyond a reasonable interpretation of the law – and our increased audit effort in this area. As a result of that effort we have, at various stages of the examination and appeals process, about 200,000 tax returns involving about $4.5 billion of questionable deductions. This program requires a substantial commitment of resources but it is a commitment we will continue to make, and even increase if necessary. The great abuse we are finding in this area, if allowed to continue unchecked, could result in a serious decline in taxpayers' perception of the fairness and evenhandedness of our administration of the tax system and consequently in their voluntary compliance.

Many abusive tax shelters depend for their successful marketing on the participation of professional tax advisors. We intend to continue an exploration, begun this year, into the ethical and legal standards that should govern such participation.

Tax administration today calls for us to increase our abilities to serve the majority of taxpayers who comply with the law. A crucial aspect of this service is to enforce the law vigorously against the few who attempt to subvert it. We believe this year's report reflects that commitment.

Jerome Kurtz
Commissioner of Internal Revenue

# Collecting the Revenue

## Returns Received

The IRS received 140.2 million tax returns of all types in 1979 compared to 136.6 million in 1978.

### Number of returns filed, by principal type of return

(Figures in thousands. For details, see Statistical Table 7.)

| Type of Return | 1978 | 1979 |
|---|---|---|
| **Grand Total** | **[R]136,635** | **140,174** |
| **Income Tax, Total** | **[R]100,794** | **104,933** |
| Individual | [R]87,405 | 90,827 |
| Declaration of estimated tax | 8,103 | 8,425 |
| Fiduciary | 1,732 | 1,804 |
| Partnership | 1,205 | 1,353 |
| Corporation | 2,349 | 2,524 |
| **Estate Tax** | **160** | **159** |
| **Gift Tax** | **195** | **202** |
| **Employment Tax** | **25,541** | **26,219** |
| **Exempt Organization** | **[R]410** | **450** |
| **Employee Plans** | **[R]1,231** | **1,214** |
| **Alcohol, Tobacco and Firearms** | **[R]560** | **539** |
| **Excise Tax** | **908** | **1,013** |
| **Supplemental Documents** * | **[R]6,836** | **5,445** |

[R] Data revised from previous annual report.
* Includes Forms 1040X, 1120X, 2688, 4868, 7004, Tent. 1120L & M, 7005, 990AR, 4578, 5300 series, 5329, 1041A and 2438.

The number of Forms 1040 and 1040A received in 1979 was 90.8 million compared with 87.4 million in 1978. Forms 1040 received totaled 54.6 million, 2.5 percent more than the 53.2 million received last year. More than 36.1 million individual taxpayers — 40 percent of all individual filers — used the short Form 1040A compared to 34 million in 1978, an increase of 6.1 percent.

### Mathematical Correction

As a result of checking the mathematics on 90.6 million individual returns, 2 million taxpayers were found to have overstated their tax liabilities by $357 million, an average of $159 per return. On 3.8 million returns, taxpayers had understated their tax liability by $906 million with an average of $241.

Error rates for both the Form 1040 and 1040A rose slightly in 1979, with 5.5 percent of the 1040A's processed having mathematical errors compared to 5.1 percent for 1978. The error rate for Forms 1040 was 7.3 percent in 1979 as compared to 6.5 percent for 1978.

The IRS also checked the amounts claimed for estimated tax payments and found that taxpayers underclaimed $333 million and overclaimed $661 million.

### Individual Income Tax Returns Mathematically Verified

(In Thousands)

| | 1978 | 1979 |
|---|---|---|
| **Number verified by computer** | **83,915** | ***87,382** |
| Number of returns on which mathematical errors were detected | 5,404 | 6,003 |
| Percent of returns with mathematical errors | 6.4 | 6.9 |
| **Returns with increase:** | | |
| Number | 3,371 | 3,755 |
| Amount | 791,363 | 905,624 |
| Average amount (dollars) | 234.76 | 241.16 |
| **Returns with decrease:** | | |
| Number | 2,033 | 2,249 |
| Amount | 309,155 | 357,351 |
| Average amount (dollars) | 152.04 | 158.92 |

* Not including 3,175,000 verified by other means.



### Gross Internal Revenue Collections

(In thousands of dollars. For details see Statistical Table 1)

| Source | Percent of 1979 Collections | 1978 | 1979 | Increase or Decrease Amount | Increase or Decrease Percent |
|---|---|---|---|---|---|
| **Grand total** [1] | **100.0** | **399,776,389** | **460,412,185** | **60,635,796** | **15.2** |
| **Income taxes, total** | **70.2** | **278,438,289** | **322,993,733** | **44,555,444** | **16.0** |
| Corporation | 15.5 | 65,380,145 | 71,447,876 | 6,067,731 | 9.3 |
| Individual, total | 54.6 | [3]213,058,144 | [4]251,545,857 | 38,487,713 | 18.1 |
| Withheld by employers [2] | 42.4 | 165,254,230 | 195,331,016 | 30,076,786 | 18.2 |
| Other [2] | 12.2 | 47,803,913 | 56,214,840 | 8,410,927 | 17.6 |
| **Employment taxes, total** | **24.5** | **97,291,653** | **112,849,874** | **15,558,221** | **16.0** |
| Old-age, survivors, disability, and hospital insurance, total | 23.4 | 92,630,407 | 107,525,982 | 14,895,575 | 16.1 |
| Federal insurance contributions | 22.3 | 88,362,950 | 102,492,463 | 14,129,513 | 16.0 |
| Self-employment insurance contributions | 1.1 | 4,267,457 | 5,033,519 | 766,062 | 18.0 |
| Unemployment insurance | 0.6 | 2,642,014 | 2,958,000 | 315,986 | 12.0 |
| Railroad retirement | 0.5 | 2,019,231 | 2,365,893 | 346,662 | 17.2 |
| **Estate and gift taxes** | **1.2** | **5,381,499** | **5,519,074** | **137,575** | **2.6** |
| **Excise taxes, total** | **4.1** | **18,664,949** | **19,049,504** | **384,555** | **2.1** |
| Alcohol | 1.2 | 5,612,715 | 5,647,924 | 35,212 | 0.6 |
| Tobacco | 0.5 | 2,450,913 | 2,495,517 | 44,604 | 1.8 |
| Other | 2.4 | 10,601,321 | 10,906,063 | 304,742 | 2.9 |

[1] Collections are adjusted to exclude amounts transferred to the Government of Guam.
[2] Estimated Collections of individual income tax withheld are not reported separately from old-age, survivors, disability and hospital insurance (OASDHI) taxes on wages and salaries. Similarly, collections of individual income tax not withheld are combined with OASDHI taxes on self-employment income. The amount of OASDHI tax collections shown is based on estimates made by the Secretary of the Treasury pursuant to the provisions of sec. 201(a) of the Social Security Act as amended, and includes all OASDHI taxes. The estimates shown for the two categories of individual income taxes were derived by subtracting the OASDHI tax estimates from the combined totals reported.
[3] Includes Presidential Election Fund amounting to $39,077,131.
[4] Includes Presidential Election Fund amounting to $35,933,816.

**Net Internal Revenue Collections**
(In thousands of dollars)

| Source | Gross Collections | Refunds[1] | Net Collections Amount | Net Collections Percent of Total |
|---|---|---|---|---|
| **Grand total** | **460,412,185** | **41,350,806** | **419,061,379** | **100.0** |
| Corporation income taxes | 71,447,876 | 5,771,288 | 65,676,588 | 15.7 |
| Individual income taxes | 251,545,857 | 34,478,116 | 217,067,741 | 51.7 |
| Employment taxes, total | 112,849,874 | 687,893 | 112,161,981 | 26.8 |
| Old-age, survivors, disability and hospital insurance | 107,525,982 | 636,435 | 106,889,547 | 25.5 |
| Railroad retirement | 2,365,893 | 418 | 2,365,475 | 0.6 |
| Unemployment insurance | 2,958,000 | 51,040 | 2,906,960 | 0.7 |
| Estate and gift taxes | 5,519,074 | 108,534 | 5,410,540 | 1.3 |
| Excise taxes | 19,049,504 | 304,975 | 18,744,529 | 4.5 |

[1] Does not include interest paid on refunds. In the narrative, the total refund figure of $41.7 billion includes $358,783,914 interest.

## Tax Receipts

Gross tax receipts in 1979 rose to $460.4 billion, up $60.6 billion over 1978 for a 15.2 percent increase. This gain was larger than the previous record $47.3 billion rise between 1976 and 1977.

Income taxes accounted for over two thirds of all tax receipts. Individual income taxes totaled $251.5 billion, an increase of $38.5 billion or 18.1 percent over the previous year, while corporation income tax receipts were $71.4 billion, up by $6.1 billion, or 9.3 percent. Major factors in this increase were higher personal income and higher corporate profits.

Employment taxes consisting of social security, self employment, federal unemployment and railroad retirement were $112.8 billion. This rise of $15.6 billion over 1978, 16 percent, reflected increases in the social security tax rate and wage base.

Excise tax revenue rose to 19 billion, up $0.4 billion, or 2.1 percent over last year. These collections increased despite the continued phasing out of the telephone tax and changes made by the Energy Tax Act of 1978, including eliminating the excise tax on buses and the exemption from tax of gasohol and refined lubricating oil.

Estate and gift taxes, the smallest source of revenue, advanced slightly by $143 million — 2.6 percent — on collections of $5.5 billion for 1979.

## Refunds

The IRS paid total refunds of $41.7 billion to 69 million taxpayers including 3.8 million checks totaling $773 million for taxpayers who claimed the earned income credit. Last year 69 million refunds totaling $39.6 billion were paid. Refunds to individual filers, Forms 1040 and 1040A, were $34.9 billion, averaging $518 compared to $495 in 1978.

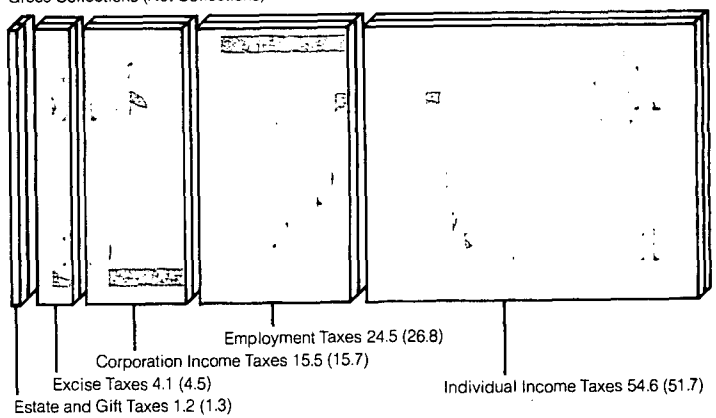


**Flow of Returns Filed and Refunds Issued**
Individual Income Tax*
(Cumulative number in thousands)

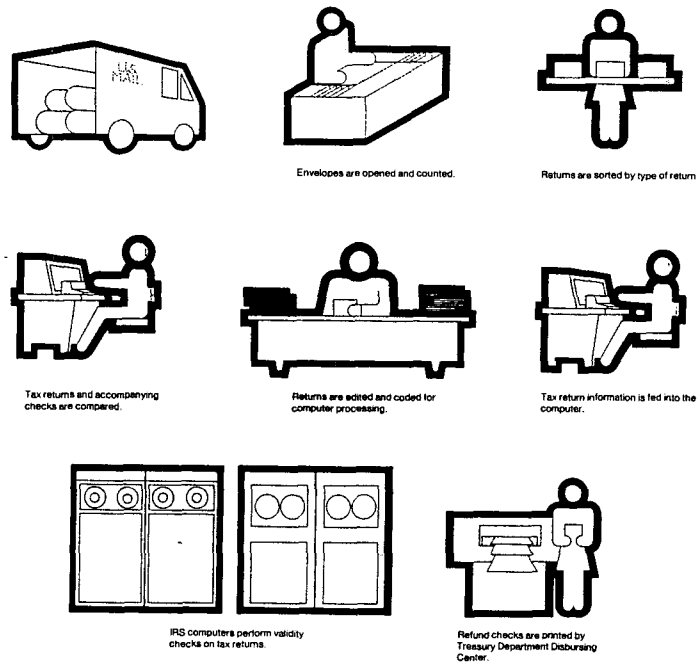
| 1978 | Jan | Feb | Mar | Apr | May | June |
|---|---|---|---|---|---|---|
| **Returns Filed** | | | | | | |
| Number | 10,983 | 36,754 | 53,375 | 82,589 | 85,164 | 86,346 |
| Percent | 12.7 | 42.6 | 61.8 | 95.6 | 98.6 | 100 |
| **Refunds Issued** | | | | | | |
| Number | 1,636 | 14,685 | 35,489 | 51,535 | 63,085 | 64,357 |
| Percent | 2.5 | 22.8 | 55.1 | 80.1 | 98.0 | 100 |
| **1979** | | | | | | |
| **Returns Filed** | | | | | | |
| Number | 9,758 | 35,842 | 53,259 | 85,132 | 88,051 | 89,232 |
| Percent | 10.9 | 40.2 | 59.7 | 95.4 | 98.7 | 100 |
| **Refunds Issued** | | | | | | |
| Number | 1,399 | 13,139 | 34,074 | 50,279 | 62,761 | 64,307 |
| Percent | 2.2 | 20.4 | 53.0 | 78.2 | 97.6 | 100 |

* Returns processed by National Computer Center and refunds scheduled for issuance by Regional Disbursing Centers.

**The Tax Dollar**
**Where It Came From**
Gross Collections (Net Collections)



## Pipeline At the ten Regional Service Centers




Once a tax return reaches one of ten IRS Service Centers, it travels through a series of processing steps known as "the pipeline." While many parts of the pipeline shown here are automated for faster processing and faster refunds, people are involved every step of the way.



### Penalties

Under law the IRS levies penalties such as those for failure to pay, paying with bad checks, late filing, negligence and fraud. In 1979, the IRS assessed 21 million penalties of $1.8 billion. For details, see Statistical Table 14.

### Tax Credits

Child care expense credits are available to working parents meeting certain requirements. This year $0.7 billion in child care credits were claimed on 3.4 million returns.

Earned income credits (EIC) are offered to low-income taxpayers who maintain a home for themselves and at least one dependent. EIC of $1 billion was claimed by 5.2 million taxpayers. Legislation in 1978 provided for advance payment of the earned income credit beginning in 1979. These data will be available when 1979 tax returns are processed in 1980.

Employers claimed $1.4 billion on 747,000 returns for the new-jobs credit in 1979. This credit was replaced in 1979 by the targeted jobs tax credit designed to encourage employment of specific groups.

The Energy Tax Act of 1978 allows taxpayers a credit for energy conservation and renewable energy source expenditures made on their residences. This year taxpayers claimed $593 million in credits on 5.8 million returns.

### Presidential Election Campaign Fund

This year 23.2 million individual income tax returns had designations for the Presidential Election Campaign Fund — 25.8 percent of the returns processed. Designations amounted to $35.9 million compared to $39.1 million designated in 1978 on 24.9 million individual tax returns, or 28.9 percent of those processed. The cumulative amount credited to the fund since it was initiated in 1972 is $207.4 million.

### Automated Information Filing

The IRS received over 327 million information returns from businesses and organizations required to report wages, interest, dividends and other payments of which over 264 million were submitted on magnetic media.

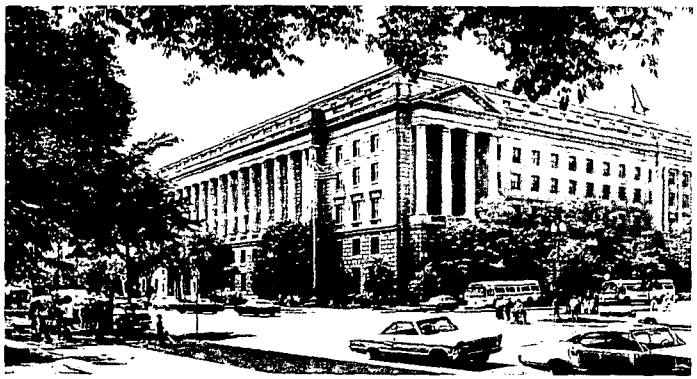
Most information returns received on magnetic media and approximately 15 percent of those submitted on paper will be matched against files to verify such amounts taxpayers reported on their returns.

The accompanying table shows the number of organizations reporting on magnetic media over the past decade.

### Information Returns Reported on Magnetic Media

| Tax Year | Documents (thousands) | Reporting Entities |
|---|---|---|
| 1967 | 36,492 | 1,048 |
| 1968 | 47,686 | 2,426 |
| 1969 | 58,951 | 2,963 |
| 1970 | 68,300 | 4,637 |
| 1971 | 91,449 | 8,504 |
| 1972 | 115,008 | 12,758 |
| 1973 | 144,533 | 13,128 |
| 1974* | 185,554 | 21,862 |
| 1975* | 216,839 | 32,486 |
| 1976* | 248,106 | 35,013 |
| 1977* | R275,423 | 39,980 |
| 1978* | 264,423 | 38,417 |

R Data revised from previous annual report.
* Calendar year data. Data for 1973 and prior covers the 6 month period January through June.
Note: For 1978 and subsequent years the volumes shown do not include Forms W-2 and W-2P processed by the Social Security Administration under the combined annual wage reporting system.



### Combined Annual Wage Reporting

Combined annual wage reporting (CAWR) is a system developed to reduce the reporting burden for employers. This system, satisfying the reporting requirements of both the IRS and the Social Security Administration (SSA), became effective for all wages paid after Dec. 31, 1977. Under CAWR, Schedule A, which required a detailed listing of employee information, is no longer filed with employment tax Forms 941 and 943 and the Form W–2 was redesigned to include the Federal Insurance Contributions Act (FICA) information formerly filed on Schedule A. The Forms W–2 are filed with the SSA, which processes the information and supplies it to the IRS.

By eliminating Schedule A, the President's Advisory Council on Paperwork Reduction estimated an annual savings to employers of $235 million.

In 1979 an estimated 170 million Forms W–2 were filed with SSA for the first time.



# Assisting the Taxpayer

### Write, Call or Walk-In

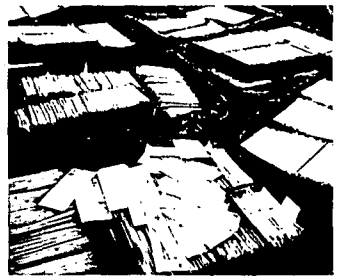
The IRS provides year-round assistance through correspondence, telephone inquiries and personal contacts, to give taxpayers information about the tax system, their rights and obligations under it and the tax benefits available to them.

This year the IRS received about 96,000 written, 33 million telephone and 8 million walk-in inquiries. More than 60 percent of the inquiries occurred from January 1 through April 27, 1979 — over 19 million phone calls, more than 5 million walk-in inquiries, and over 35,000 items of correspondence, totaling over 24 million requests for assistance. A quality check of 300,000 telephone responses and returns prepared by IRS assistors during the filing period indicated an overall national accuracy rate of almost 97 percent.

### Toll-Free Telephone Assistance

With the toll-free telephone system, taxpayers anywhere in the United States can call IRS numbers listed in the tax form packages for information without paying a long distance charge. Over 97 percent — 18.7 million — of the telephone calls received during the 1979 tax return filing period were on the toll-free system.

Teletypewriter equipment with a nationwide toll-free number, except for Alaska and Hawaii, gives hearing-impaired taxpayers access to telephone assistance.



### Walk-In Service

Walk-in taxpayer assistance was offered in the inner city, business districts and suburban and rural areas at 710 permanent offices and at 147 temporary offices set up for the filing period. In addition over 35,000 banks and Postal Service locations helped distribute more than 273 million tax forms and instructions.

When possible, hours of service at IRS offices were extended for taxpayers who could not call or visit during normal business hours. Based on a General Accounting Office (GAO) survey taken in January and February,

80 percent of the taxpayers had to wait less than fifteen minutes for assistance.

The IRS provided foreign language assistance at 218 of its 857 taxpayer service offices. Spanish assistance was offered by 582 employees, while 446 assisted in other foreign languages. Bilingual taxpayer assistance also was provided through a special form, that translated from Spanish, French, Portuguese, Chinese and Vietnamese into English the information necessary for IRS employees to prepare returns.

## Educating Taxpayers

For the past several years, the IRS has sponsored programs to educate the public about the tax system. Programs are also available to train volunteers who assist others in preparing returns.

The IRS sponsored classes for over 39,000 individuals and small business owners. More than 5 million student publications were provided free to high schools and colleges through the *Understanding Taxes* and *Fundamentals of Tax Preparation* programs. IRS district employees have met with high school officials throughout the country to encourage the use of *Understanding Taxes* particularly in consumer awareness classes.

Through the volunteer income tax assistance (VITA) program, the IRS recruits, trains and supports volunteers who offer free tax assistance to low income, elderly, military and non-English speaking taxpayers. Approximately 41,000 volunteers participated this year and more than 300,000 federal income tax returns were prepared.

## Simplifying the Forms

A high-level task force to improve tax forms was set up under the direction of the Commissioner, Deputy Commissioner and four Assistant Commissioners. A contract was also awarded to an outside firm to revise and test Forms 1040, 1040A and related schedules to make recommendations for further simplification as mandated by the Revenue Act of 1978.

Volunteers in Pittsburgh, Indianapolis and St. Paul tested the 1979 individual income tax forms and related schedules. These volunteers — of different income levels, educational backgrounds, ages and occupations — were recruited through radio, television, newspaper announcements and organizations, such as the Chamber of Commerce, League of Women Voters and senior citizens groups. The IRS adopted many suggestions and recommendations for improvement in the forms and instructions. For the first time computerized readability studies were used to identify portions of the tax forms instructions that could be made easier to read.



## Publications

The IRS distributed many taxpayer information publications free of charge including 3.1 million copies of *Your Federal Income Tax*, 1.4 million copies of the *Tax Guide for Small Business*, 840,000 copies of the *Farmer's Tax Guide*, and 126,000 copies of the *Tax Guide for Commercial Fishermen*. Additional tax materials were furnished to more than 7.5 million individual taxpayers, 625,000 tax practitioners and 560,000 employers. IRS also publishes more than 80 booklets — three in Spanish — on specific tax topics.

## Informing Taxpayers

The IRS issued more than 7,000 news releases and answered nearly 20,000 media inquiries. The three major television networks and many radio and television stations, daily and weekly newspapers, magazines and specialized publications were furnished taxpayer information materials.

A specialized media program provides tax information to the public through publications issued by trade, professional, service and fraternal organizations. Federal agencies such as the Small Business Administration and the Office of Minority Business Enterprise assisted the IRS in distributing this information. The earned income credit, IRS assistance for the hearing impaired, taxpayer education and small business programs were publicized through specialized media.

IRS employees participated in a television "Tax Clinic" broadcast over public television stations in 38 states during which viewers could call their local IRS offices for answers to tax questions.

Three half-hour IRS films provided information on the American tax system, examination and appeal rights and the tax responsibilities of running a small business. These films, two of which were also released in Spanish, appeared on TV across the nation, and before trade, civic, educational and other groups.

The IRS provided special information to persons considered eligible for the earned income credit (EIC) with the continued cooperation of the Departments of Health, Education and Welfare, Agriculture and Labor. Additionally, the IRS sent notices to individuals who didn't claim the EIC although they appeared to be qualified according to their tax return information. As a result of the notices 380,000 additional taxpayers received the EIC.

## Resolving Problems

The IRS' problem resolution program (PRP) attempts to resolve taxpayers' complaints not satisfied through regular channels. Each IRS district has a problem resolution officer who, as a member of the director's staff is independent from the operating divisions. The most common types of problems handled by PRP are complaints about not receiving refunds and about erroneous bills.

During 1979, PRP helped resolve approximately 72,000 taxpayer problems.

## Making Information Available

During 1978, disclosure officers and specialists processing requests for access to records under the Freedom of Information (FOI) Act in district offices and service centers, granted 4,264 in full, 1,016 in part and denied 382 in full. The National Office FOI reading room serviced about 25,000 requests to copy or inspect records. This level of service, which is a 45 percent increase over the prior year, was due primarily to the release of private letter rulings edited to protect the identity of taxpayers to whom they were originally issued.

Under the Privacy Act of 1974 individuals made 510 requests for access to records about themselves and 19 requests to amend or correct these records. The IRS permitted full access in 355 of these requests and 83 were granted partial access.

This year, pursuant to the provisions of the *Internal Revenue Code*, 4,648 disclosures of tax information were made to the Department of Justice, 132,213 to child support enforcement agencies and approximately 73 million to state tax agencies.

By law the IRS must maintain the confidentiality of tax returns and return information except in those specific circumstances where disclosure is authorized. This year the IRS developed security guidelines for federal agencies entitled to receive information and improved recordkeeping and reporting requirements for the disclosure of tax information.

The exchange of confidential information with states is intended to increase tax revenues, reduce duplicate audits and increase taxpayer compliance. Federal tax information received by the states may be disclosed only to state agencies charged with administering state tax laws and only upon the request of the head of that agency. Disclosure officers annually visit each state tax agency to check on procedures used to safeguard return information. Each year IRS enters into an agreement with states that identify the types of information to be regularly exchanged and limits the exchanged information to that needed and used. There are now 93 federal-state agreements in effect.

### Helping Other Countries

In 1963 the IRS in cooperation with the Agency for International Development (AID) began a program to assist foreign governments in modernizing their tax administration systems. Since the program started almost 5,350 visitors from 130 countries have visited the IRS for orientation and observation programs and this year 342 officials from 59 countries participated. IRS advisers have been assigned to thirty seven countries, the Caribbean Community and the Central American Secretariat for Economic Integration.

This year long-term programs were initiated in Egypt, El Salvador and Sierra Leone, with

continuing programs in Liberia, the Northern Mariana Islands and the Trust Territory of the Pacific Islands. Special short-term assistance was provided to Jordan. There were frequent visits between Canadian National Revenue and IRS officials to discuss compliance, management and other topics of mutual interest.

The IRS participated in the 26-member-country Inter-American Center of Tax Administrators (CIAT) thirteenth General Assembly in Quito, Ecuador, in May 1979 where the Deputy Commissioner made a presentation on "How to Measure the Effectiveness of Tax Administration." In February 1979 the Assistant Commissioner for Taxpayer Service and Returns Processing presented a paper, "Safeguarding ADP Files and Protecting Taxpayer Privacy," at the CIAT ADP conference held in Mexico City. Through CIAT the IRS has helped the government of Trinidad and Tobago conduct an ADP feasibility study. The Commissioner will serve as a member of the CIAT Executive Council for 1980.



# Enforcing the Law

## Examinations

The IRS examines returns to help ensure a high degree of voluntary compliance. The discriminant function (DIF) system is a computer method used to select individual returns for examination using mathematical formulae for each class of return to measure the probability of error. Returns selected by DIF are screened manually before being assigned for examination.

Returns may also be selected at random for examination under the taxpayer compliance measurement program (TCMP), to provide a statistical sample of all classes of individual returns. Examinations under this program are more intensive because the results are used to develop measurements of compliance and to update DIF formulae. Compliance measurement is an important factor in determining examination coverage of different classes of taxpayers.

Some returns are selected through manual review or because of a related examination. For example, if the IRS examines a partnership return the returns of partners may be audited. Returns of shareholders and executives may be examined with the audit of their corporation. Other returns may be selected based on information documents filed by payers of wages, dividends and interest. The IRS also screens returns with adjusted gross income above certain levels and amended returns of taxpayers.

### Tax Return Classes

During 1978, IRS conducted a study to determine whether the class structure using adjusted gross income (AGI) to group individual returns could be improved. Classes are used for DIF scoring, planning workload and staffing and monitoring results of examinations. The study group recommended new classes to group returns for better use of IRS examination resources. Total positive income (TPI) — the sum of all positive income values appearing on the return, such as wages, dividends, interest, rents and other income items, with losses and other negative items treated as zero — will be used to class nonbusiness returns and total gross receipts (TGR) to class business returns beginning with the 1979 individual returns filed in 1980.

### Classification

The classification program includes the manual screening of DIF returns and the classification of other returns to identify for examination those returns having the highest potential of error. In 1979 the IRS approved centralized classification at the service centers instead of in district offices. This change will be implemented at all service centers by the end of 1980.

### Examination Results

The IRS examined 2,273,603 tax returns of all types in 1979. Of those 199,907 returns were examined in service centers, compared to 169,390 last year, an increase of 18 percent. The remainder were examined in district offices by revenue agents and tax auditors.

Revenue agents examined 679,302 returns at the taxpayer's residence or place of business, a decrease of 48,951 returns or 7 percent from last year. Tax auditors examined 1,394,394 under office audit procedures, a decrease of 36,775 returns or 3 percent from last year.

Examination coverage of income, estate and gift tax returns was 2.24 percent compared to 2.29 percent in 1978.

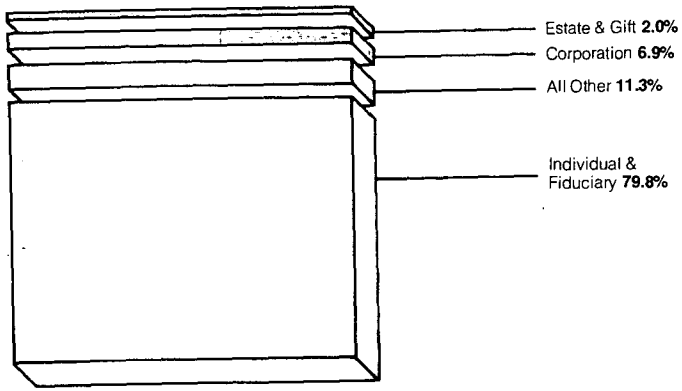
The IRS examination program resulted in $7.2 billion in recommended additional tax and penalties, of which individual returns accounted for $2.0 billion, fiduciary returns for $104.9 million, corporate returns for $4.2 billion and estate and gift tax returns, $683 million. The examination of employment and excise tax returns resulted in the remaining $161 million.

This year IRS examinations also disclosed overassessments on 133,059 returns resulting in refunds of $328 million compared to 132,600 returns with refunds of $312 million in 1978.

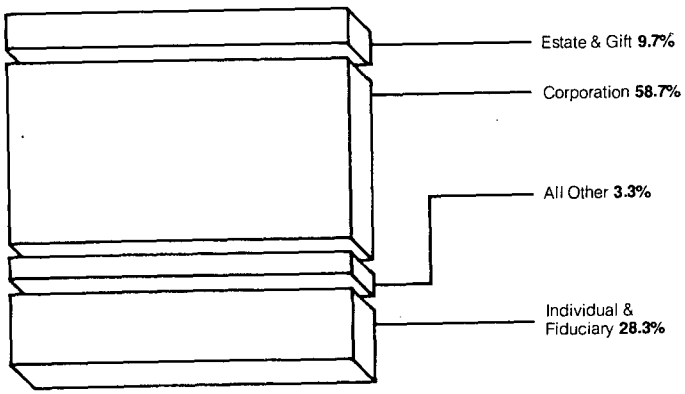
Statistical Table 8 shows examination activity for 1979.

**Revenue Agents and Tax Auditors** (District Examination Divisions)

**Percent of Returns Examined**
**By Type of Tax**




**Percent of Dollar Recommendations (Millions)**
**By Type of Tax**






### Service Center Program

The IRS service center examination and correction program resolves or verifies issues that can be handled through correspondence with the taxpayer. In 1979, 696,341 returns were examined or corrected compared to 663,173 in 1978, a 5 percent increase.

### Coordinated Examination Program

The coordinated examination program (CEP) covers financial institutions and utilities whose gross assets exceed $1 billion and other corporations whose gross assets exceed $250 million.

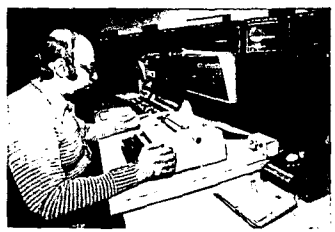
Since coordinated examinations involve complex accounting systems the IRS uses teams of revenue agents, economists, computer specialists, engineer agents, international and excise tax examiners and employee plans specialists.

At the end of the year, over 1,300 corporations were in this program.

### Computer Assisted Examinations

Computer programs reduce the cost of investigations, examinations and compliance projects since computer procedures take a fraction of the time to do the same job manually.

IRS has a staff of about 150 audit specialists trained in computer systems, hardware, program languages and examination techniques.



### Estimates of Unreported Income

In August the IRS issued a report on "*Estimates of Income Unreported on Individual Income Tax Returns*." The study estimated that individuals did not report $75 billion to $100 billion of income for tax year 1976 from legal activities, resulting in a revenue loss of approximately $13 billion to $17 billion. In addition, individuals engaged in illicit drug sales, illegal gambling and prostitution are estimated to have failed to report $25 billion to $35 billion of earnings on which the revenue loss may range from $6 billion to $9 billion.

The IRS is engaged in a number of compliance efforts involving this so-called subterranean economy, such as matching information documents with tax returns to identify persons not filing returns and persons who underreport income on their returns as well as investigating persons who previously filed returns but have stopped doing so.

As a result of the task force's report the IRS is establishing new programs and allocating resources to coordinated projects to discover and tax unreported income. The results of these projects will be considered in the future selection of returns for examination.

### Tax Shelters

In recent years many promoters have arranged artificial transactions based on questionable legal interpretations to market limited partnership syndications and individual investments to high-income taxpayers, creating large tax deductions and losses that lack economic reality.

In 1973 the IRS began a tax shelter audit program in the oil and gas industry, later expanding to other potentially abusive shelter areas. Efforts have included identifying tax shelter cases, educating agents to recognize tax shelter issues, developing the IRS position on key issues and identifying cases for early litigation.

Audit coverage of all partnership returns was 2.5 percent for 1979 with 17 percent coverage for partnership returns in the over-$25,000 loss category. The use of computer programs to analyze, identify and retain data on partners and partnerships, coupled with information obtained from the Securities and Exchange Commission, state agencies and others, improves the IRS capability to identify partnership returns that warrant examination.

### Return Preparers

The Tax Reform Act of 1976 permits the IRS to regulate standards of conduct as well as disclosure and reporting rules for return preparers. Penalties ranging from $25 to $500 are provided for noncompliance with the laws and regulations.

In 1979 over $1 million in penalties have been proposed by district offices against 3,519 preparers.

### Quality Control

The quality control staffs, through review of completed work, attempt to assure fair and impartial administration of the revenue laws by examiners. The staff also advises management of areas requiring attention and takes action to maintain high-quality examination standards. The IRS is currently defining quality examination in more measurable terms.

### Simultaneous Examination

The IRS simultaneous examination program with treaty countries originated with Canada in 1977 and was expanded to the United Kingdom in 1978 and the German Federal Republic and France this year.

In this program, the participating governments separately examine the affairs of designated multinational taxpayers under their respective jurisdictions. Before an audit begins representatives of each country meet to plan and coordinate the examination and information is exchanged during each stage of the examination, in accordance with the tax treaty provisions.

### International Enforcement Program

Examiners with expertise in international issues audit returns containing those issues, the majority involving multinational corporations included in the coordinated examination program. International examiners are trained to handle complex issues involving controlled foreign corporations, transfers of property to corporations, allocation of income among taxpayers, foreign tax credit and the international boycott provisions of the Tax Reform Act of 1976.

### Enrolled Agents

Individuals who are not attorneys or Certified Public Accountants (CPAs) must pass the special enrollment examination to represent taxpayers before the IRS.

The examination covers the tasks enrolled agents must perform and emphasizes federal tax laws as they apply to business operations, sole proprietorships, partnerships and corporations. The current examination is divided into four parts and candidates are required to pass each part though they may retain credit for any part passed and need only retake those parts failed. They must, however, pass the entire examination within two consecutive years.

Treasury Department Circular 230, Regulations Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, and Enrolled Actuaries, was amended in 1979, to expand the advertising and solicitation provisions of the regulations. Enrolled agents may now advertise certain background and fee information.

This year, 4,332 candidates took the special enrollment examination, compared to 4,380 in 1978.



## Appeals

The IRS encourages the resolution of tax disputes through an independent administrative appeals system rather than litigation. The appeals system, administered by the Office of the Regional Director of Appeals in each of seven regions, is designed to minimize inconvenience, expense and delay to taxpayers in resolving contested tax cases.

Proceedings in the appeals process are informal so taxpayers may, and frequently do, represent themselves. In addition, in all office examination cases and in field examination cases where the disputed tax liability for each taxable year involves $2,500 or less, taxpayers may obtain a conference without filing a written protest.

If a tax dispute cannot be resolved at the administrative appeals level, taxpayers have additional appeal rights to the courts. If the disputed tax does not exceed $5,000 in any tax year, a simple procedure is available under the U.S. Tax Court small case procedures that permits informal hearings where taxpayers may present their cases before a special trial judge. However, neither the taxpayer nor the government may appeal decisions in such cases.

If the disputed tax exceeds $5,000 or if the taxpayer chooses, the case may be heard under regular Tax Court procedures. Taxpayers may choose to bypass the Tax Court by paying the tax deficiency and filing a claim for refund within two years from the date of payment.

If the claim is denied or no action is taken by the IRS within six months, the taxpayer may file suit for a refund in either a U.S. District Court or the Court of Claims. Adverse decisions of the Tax Court or the District Court may be appealed to the U.S. Circuit Court of Appeals having jurisdiction. A party may petition the U.S. Supreme Court to review adverse decisions of the Court of Claims and the Circuit Courts of Appeals.

Cases considered by Appeals fall into two categories: nondocketed and docketed. Nondocketed cases are those in which a taxpayer is protesting a proposed action by an IRS district or service center director involving additional taxes and/or penalties, a refund disallowance or a rejection of an offer in compromise. Docketed cases are those in which taxpayers have filed a petition with the U.S. Tax Court. During this year, 21 percent of Appeals receipts consisted of docketed cases and 79 percent nondocketed.

### Results

This year reflects the most significant changes to the IRS' administrative appeals process in many years. On Oct. 2, 1978, the IRS commenced operating under a single level of appeal. In addition to the cases previously under the jurisdiction of Appeals and the former district conference, the appeals function now has increased responsibility for post assessment penalty and employee plans/exempt organization appeals. This was also the first full year of operation under Revenue Procedure 78-9 where Appeals now has exclusive jurisdiction of docketed cases for a period of four months with the possibility of extensions if a case is in the process of being settled.

When the new single level of appeal began there were approximately 11,500 work units in the district conference inventory, which were transferred to the new Appeals office. Within six months Appeals disposed of 93 percent of this inventory. The total inventory of the administrative appeals process remained relatively level at year's end – there were 35,000 work units in inventory compared to 32,700 at the end of 1978.

The overall agreement rate for nondocketed work units increased from 84 percent in 1978 to 85 percent in 1979. The docketed agreement rate in 1979 for Appeals and District Counsel combined was maintained at the 73 percent level of 1978, prior to Revenue Procedure 78-9. For Appeals, under Revenue Procedure 78-9, the agreement rate was 52 percent with 70 percent of the cases settled within four months.

In 1978 the district conference appeals function disposed of 54,000 work units with 960 appeals officers and district conferees. In 1979 the administrative appeals process disposed of 46,500 work units with 130 fewer appeals officers than the previous year's combined total of appeals officers and district conferees. The disposal rate in 1979 was 55 work units per appeals officer. In 1978 the former Appellate Division averaged 43 work unit disposals per appeals officer and the combined disposal rate for appeals officers and district conferees in 1978 was 56 work units. In addition to these work units, the Appeals Division disposed of 7,200 post assessment penalty appeal protests representing $12 million in 1979.

## Criminal Investigation

Criminal investigations for the enforcement of the criminal provisions of the tax laws are divided into General Enforcement and Special Enforcement Programs.

The General Enforcement Program provides for balanced criminal tax enforcement and geographical and occupational coverage of the population involving various types of alleged violations of the tax laws. In recent years, added enforcement efforts have been put on the questionable refund program and the illegal tax protester project.

The Special Enforcement Program covers the identification and investigation of individuals who derive substantial income from certain illegal activities and violate the tax laws. Special agents of the Criminal Investigation Division participate in the federal strike force program against organized crime with strike force units located in 13 major cities coordinated by attorneys from the Justice Department. The Special Enforcement Program also includes the high-level narcotics financiers and traffickers project coordinated with the Drug Enforcement Administration, wagering and other efforts against racketeers.

### Results of Operations

Some 9,780 investigations were initiated in the General and Special Enforcement Programs, up from 9,481 the previous year. The Division completed 9,952 investigations and recommended prosecution in 3,338 investigations. Grand juries indicted or U.S. Attorneys filed information on 1,820 taxpayers. Prosecution was successfully completed in 1,612 cases. Taxpayers entered guilty pleas in 1,152 cases, 118 pleaded *nolo contendere* and 342 were convicted after trial. Acquittals and dismissals totaled 96 and 183, respectively. Of the 1,519 taxpayers sentenced during the year, 675 or 44.4 percent received jail sentences.

In its Special Enforcement Program alone the Division completed 1,533 investigations and recommended prosecution in 685 cases. There were 306 convictions or pleas of guilty to tax charges and 832 prosecutions pending on Sept. 30, 1979.

The accompanying table covers the results of criminal actions in tax fraud.

### Results of Criminal Action in Tax Fraud Cases

| | Number of Defendants | |
|---|---|---|
| **Action** | **1978** | **1979** |
| Plea of Guilty or *nolo contendere* | 1,189 | 1,270 |
| Convicted after trial | 225 | 342 |
| Acquitted | 70 | 86 |
| Nol-prossed or dismissed | 119 | 183 |
| **Total Disposals** | **1,603** | **1,881** |
| Indictments & Information | 1,724 | 1,820 |
| Percentage of Jail Sentences to Total Sentenced | 47.1 | 44.4 |



## Collection

The IRS collects taxes that are due but not paid, securing delinquent tax returns and payments, and preventing delinquency in the filing and payment of taxes. During 1979, the Service disposed of 2.1 million delinquent accounts. Some $3.3 billion were collected from delinquent accounts and $1.6 billion were collected in response to notices sent to taxpayers. Approximately 1.3 million delinquent returns were secured, involving $1.4 billion in additional assessments. Returns compliance programs identifying potential nonfilers secured 76,968 returns with $20.5 million in additional taxes assessed. Statistical Table 13 shows results for 1979.

### Results of Direct Enforcement on Delinquent Accounts and Returns

| | 1978 | 1979 |
|---|---|---|
| **Delinquent Taxes Collected**[1] | | |
| From Delinquent Accounts | *$3,070.0 | $3,316.1 |
| From Notices | $1,225.0 | $1,584.1 |
| **Delinquent Returns secured**[2] | | |
| By Collection Division | 1,056.2 | 1,324.2 |
| By Examination Division | 83.9 | 58.2 |
| **Additional Tax, Penalty and Interest Assessed on Delinquent Returns** (Net of Prepaid credits)[1] | | |
| By Collection Division | $989.0 | $1,379.1 |
| By Examination Division | **$145.2 | $69.0 |

* Revised
** Revised figure. The $685.5 million previously reported was overstated due to a reporting accumulation error.
[1] millions
[2] thousands

Over the past year several significant steps were taken to improve programs to fulfill the Collection mission. For example, it was determined that some work previously performed in the district offices could be done more efficiently in the service centers, frequently replacing expensive field investigations. A new service center Collection function initiates correspondence and telephone contacts with taxpayers to resolve balance due and return delinquency conditions. If a taxpayer is unable to make immediate payment, the service center will, under certain circumstances, make arrangements with the taxpayer to pay the amount due in equal monthly installments. The taxpayer must comply with certain conditions, such as timely payment of future taxes and filing current returns. Cases that cannot be resolved in the service center are sent to the various district offices for further action.

Most cases sent to the districts are initially handled by correspondence and telephone contacts. Taxpayers may also come to the district office to discuss their case with an IRS representative.

Cases that cannot be resolved by these methods are sent to the field function where revenue officers and revenue representatives personally contact taxpayers to collect delinquent taxes and secure delinquent returns.

Federal tax laws provide the IRS with broad authorities to collect delinquent taxes. Among these are the filing of a Notice of Federal Tax Lien and 371,000 were filed in 1979; levy authority for wages, salaries, etc., and 465,000 were served in 1979, and the seizure of both real and personal property, with 5,723 made in 1979.

### Trust Fund Taxes

Nonpayment of taxes withheld from employee's wages is one of the most serious delinquency problems. IRS identifies employment tax delinquencies through various programs and closely monitors employers who fail to comply with the deposit, filing and payment requirements. The federal tax deposit alert program identifies taxpayers who are required to deposit taxes withheld from their employees' wages but do not make these deposits. These taxpayers are contacted by revenue officers who take appropriate action. If further followup is necessary, taxpayers are monitored under the trust fund compliance program. Such taxpayers may be required to file monthly, rather than quarterly, returns. Some may also be required to deposit withheld taxes into special bank accounts in trust for the United States. Violations can lead to criminal prosecution.

### Delinquent Returns

The IRS is developing a predictive model to select cases for investigation from among nonfiler leads. This will direct resources to productive investigations and avoid needless contacts with persons not required to file. This effort is particularly significant in helping to close the estimated "compliance gap" referred to in the IRS' recent report, *"Estimates of Income Unreported on Individual Income Tax Returns*."

Special efforts will be made to identify and contact most delinquent taxpayers within six months after the return due date. And, to inform individuals better about filing requirements, the IRS will provide a document containing basic filing criteria in return delinquency notices mailed to taxpayers.

### Child Support Obligations

As a result of the Social Services Amendment of 1974, *Internal Revenue Code* section 6305 empowers IRS to collect delinquent child support payments on behalf of certain state agencies.

IRS collection may be used only for cases in which a court-ordered child support obilgation is delinquent and an assignment of support rights has been executed as a condition of eligibility for Aid to Families with Dependent Children.

After state collection resources have been exhausted, applications are made through the HEW Office of Child Support Enforcement for IRS collection assistance. Once referred to IRS, delinquent child support accounts are collected the same as delinquent taxes.

### Offers in Compromise

Since 1831 the Treasury Department has been authorized to compromise liabilities owed to the United States.

The offer in compromise procedure is used as a tool to effect maximum collection in situations where the liability is not collectible in full or there is doubt as to the correctness of the liability. In 1979 the Collection Division processed 2,016 offers in compromise.



## International Operations

The Office of International Operations (OIO) is responsible for U.S. tax matters relating to U.S. citizens residing in foreign countries and foreign entities doing business in the U.S. It is also concerned with U.S. businesses controlled by foreign interests and assists in the overseas examination of multinational corporations. Further, OIO assists the U.S. Competent Authority in the administration of tax treaties. OIO also administers the social security laws in the U.S. Possessions and Puerto Rico and the income tax laws affecting Puerto Rican residents with income from sources outside of Puerto Rico.

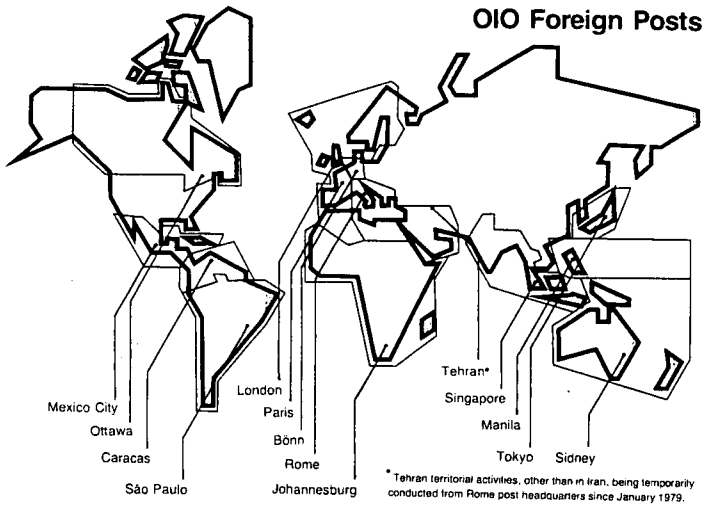
OIO maintains a network of 14 foreign posts managed by revenue service representatives (RSRs) who provide the principal contact between the IRS and Americans living abroad. These offices have multi-country responsibility, except in Canada, and are located in American population centers to assure maximum impact on taxpayer compliance and convenient access for American citizens to obtain tax assistance.

OIO's posts in Bonn, London, Paris and Rome cover Western Europe and North Africa. The post in Johannesburg services Africa, south of the Sahara. The Mexico City, Caracas and Sao Paulo posts are assigned Mexico, Central America and South America, while the Ottawa post handles Canada. The offices in Tokyo, Manila, Singapore and Sydney carry out tax administrative activities in Japan, Southeast Asia, Australia and New Zealand.

The RSRs maintain personal contacts with foreign tax authorities, foreign government officials, the Department of State and other U.S. agencies, as well as American communities abroad. They also serve as a liaison with foreign competent authorities, in tax treaty matters, for the U.S. Competent Authority.

Examination, Collection and Criminal Investigation activites take place primarily in the U.S., even though OIO sends revenue agents, tax auditors and criminal investigators abroad to conduct investigations. Collection cases that cannot be settled through correspondence are sent to the foreign posts for personal contact by the RSRs or by the revenue officers assigned to the posts.

### OIO Foreign Posts




* Tehran territorial activities, other than in Iran, being temporarily conducted from Rome post headquarters since January 1979.

Taxpayers have received tax assistance abroad for 26 years, and this year twenty-one assisters were sent abroad to 150 cities in 92 foreign countries. More than 150,000 taxpayers were assisted and several hundred members of the armed forces attended seven military tax schools. The armed forces participants then helped thousands of military personnel prepare their own tax returns.

### Treaties

Tax treaties with other countries eliminate double taxation, remove tax barriers to trade and investment and help curb tax avoidance. The U.S. now has income tax treaties with 38 countries and estate tax treaties with 13 countries.

In 1979, meetings were held with tax officials from several treaty countries to improve the administration of the treaties involved. These conferences improved working arrangements for more effective exchange of information, for resolution of recurring problems that arise from conflict of U.S. and foreign tax laws and for elimination of double taxation.

This year the IRS and the Puerto Rican Department of the Treasury established a mutual agreement procedure to resolve double taxation cases with Puerto Rico. The IRS has entered into a tax administration agreement with Puerto Rico, American Samoa, Guam and the U.S. Virgin Islands that provides for the exchange of taxpayer return information and the development of mutual assistance programs.

Some tax treaties provide for mutual collection assistance and OIO is playing an increasing role on a reciprocal basis in collecting taxes of these treaty partners from aliens in the U.S.

## Employee Plans/ Exempt Organizations

The Office of Employee Plans and Exempt Organizations (EP/EO) administers the responsibilities of the IRS for employee benefit plans and tax exempt organizations. In the National Office these functions are handled by the Employee Plans, Exempt Organizations and Actuarial Divisions. EP/EO field staffs are located primarily in the seven regional IRS offices and 19 key districts.

The Employee Plans activity administers the Employee Retirement Income Security Act (ERISA) of 1974 with emphasis on processing determination and notification letter requests timely and providing uniform interpretation of the appropriate laws and procedures. IRS continues to coordinate the administration of ERISA with the Department of Labor and the Pension Benefit Guaranty Corporation.

Since the ERISA requalification determination letter inventory decreased, focus was directed to a field compliance examination program to ensure that employee plans are operating in accordance with the plan document and that the rights and benefits of all plan participants are protected. Followup continues on those plans that received determination letters before the enactment of ERISA but failed to request a determination letter to conform to ERISA's requirements. Those plans that reported a minimum funding deficiency on Form 5500 series returns are being notified of the requirements for filing Form 5330, Return of Initial Excise Taxes Related to Pension and Profit-Sharing Plans.

Revenue Procedure 79–28, issued April 27, 1979, gives simplified instructions to employers, law firms and sponsors of plans who submit requests for determination or notification letters designed to conform the plan to final regulations under ERISA. As a result, adopters of approved master and prototype plans, field prototype plans, pattern plans and basic plans need no longer submit for IRS approval amendments made only to conform plans to final regulations.

An expanded revenue ruling program for Employee Plans was implemented during 1979 to identify all pre-ERISA revenue rulings that were invalid or misleading under present law. Revenue rulings are being prepared to revoke, obsolete, restate or modify those in need of updating.

The Revenue Act of 1978 provided for Simplified Employee Pensions (SEP) for calendar years beginning after Dec. 31, 1978. The IRS has been involved in issuing instructions for adoption of SEPs and developing a model agreement for use by the public.

During the year, 5 regulations and 22 revenue rulings and procedures were issued, as well as 2,235 National Office opinion letters on master and prototype plans dealing with Keogh plans, corporate plans and individual retirement accounts and annuities.

The IRS devoted an average of 751 field professional positions to carry out employee plan responsibilities. Advance determination letters were issued on the qualification of pension, profit-sharing and other employee benefit plans. Examinations were conducted to determine the qualification of plans in operation and to verify plan contribution deductions. During the year 141,263 determination letters were issued on corporate and self-employed plans for a decrease of 34 percent from 1978.

The Exempt Organizations activity determines the qualifications of organizations seeking tax-exempt recognition, determines their private foundation status and examines returns to ensure compliance with the law. The number of active entities on the exempt organizations master file (EOMF) increased from 810,048 in 1978 to 824,536 in 1979.

This year, 7 regulations, 25 revenue rulings and procedures, 340 technical advice memoranda and 21 announcements were issued or revised. An average of 433 field professional positions were used to examine 22,371 exempt organizations returns. Also, 114 field professional positions and 117 National Office technical positions were used for 50,568 applications, reapplications and requests for rulings on proposed transactions from organizations seeking a determination of tax-exempt status or of the effect of organizational or operational changes on their status. The development of the new formulas to select certain exempt organization returns for examination has been completed, using the taxpayer compliance measurement program (TCMP) file augmented by EOMF data. The result was improved formulas for selection of *Internal Revenue Code* subsection 501(c)(3) public charities and *IRC* 501(c)(4) organizations for examination.

The IRS is developing a TCMP survey for all *IRC* 501(c) subsections through (c)(8) having more than 5,000 filers. The survey, involving examinations of 20,000 returns filed in 1980 through 1983 will begin in October 1980.

Additional guidelines have been published providing instructions and procedures to examiners for the pre-examination of churches and related organizations. Guidelines were also issued providing uniform procedures for the identification, investigation and examination of organizations employing questionable claims of tax-exempt church status.

In 1979, IRS concluded a nationwide review of the exempt status under *IRC* 501(c)(4) and 501(c)(7) of certain homeowners associations. The IRS advised the homeowners associations revoked under the program of the availability of exempt status under *IRC* 528. The program resulted in 532 revocations under 501(c)(4) and 501(c)(7) and 479 conversions to *IRC* 528 status.

# Managing the Tax System



## Planning and Research

During 1979 the IRS prepared a five-year plan for resource needs as well as a plan for significant issues confronting tax administration. Major research was done on taxpayer opinions, ways to simplify federal tax reporting, tax compliance and improvements to the structure and operations of the IRS. Testimony and other information was developed for presentation to congressional committees, pending legislation was analyzed and statistical and other analysis was carried out.

### Research Efforts

A nationwide survey of taxpayers was conducted to determine satisfaction with IRS services and to get public opinion on tax law enforcement. The results of the survey will be available in early 1980.

A study of the use of tax havens has been established to examine existing law, interagency coordination, domestic and foreign information reporting requirements, regulations, enforcement resources and to try to determine the scope of the problem.

In 1978 the IRS began a series of studies to determine compliance with some of the approximately 90 provisions in the *Internal Revenue Code* that allow taxpayers to defer certain tax consequences to subsequent years. Since the problems associated with tax deferrals involve all types of taxpayers, the studies deal with corporate, partnership, estate, trust and individual tax returns. Each study will develop data concerning tax consequences and compliance with the various deferral provisions. Some studies involve partnership tax shelter losses in excess of at-risk basis, deferred gains on sales of personal residences, stock basis reduced by nontaxable distributions, special estate tax valuations and the recapture of the new residence purchase credit if the residence is sold within three years of purchase. IRS also plans to study deferred gains on installment sales, changes in accounting methods, recapture of accelerated depreciation on certain housing projects and at-risk limitations on losses from various business activities.

A study of compliance by workers claiming independent contractor status was completed, resulting in a legislative proposal to require tax withholding on nonemployee compensation.

Research was undertaken on the effectiveness of the information reporting system. The studies focus on how well payers comply with information reporting requirements and the use of information documents in enforcement programs, as well as the feasibility of requiring information reporting on bearer instruments.

A major research report, *"Estimates of Incomes Unreported on Individual Income Tax Returns,"* issued in 1979, presents estimates of total income individuals should have reported to the IRS but did not and the associated tax revenue loss. The estimates include underreporting on individual returns filed and on returns that should have been filed covering legal and selected types of illegal income. Copies of the report, Publication 1104, are for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Recent legislation required the Secretary of the Treasury to study existing highway excise tax structure and alternative tax funding methods for the highway trust fund. As a part of the study the IRS will examine the administrative and compliance aspects. Treasury's final report to Congress is due in April 1982.

This year the IRS completed a study of the civil penalties in the tax law after examining approximately 75 different penalties for not filing tax returns and information documents, not paying taxes timely and not reporting federal tax liability properly. The report recommends approximately 35 legislative changes and several administrative changes to deter noncompliance and to improve the administration of penalty provisions.

### Taxpayer Compliance Measurement Program

The taxpayer compliance measurement program (TCMP) is the IRS' basic research effort to estimate the nature and extent of tax law compliance. Random samples of returns filed in different tax areas are examined to develop data used to plan enforcement programs and to improve computer selection of returns for examination, to allocate IRS resources, to formulate taxpayer information programs and to develop and improve tax return forms and instructions.

This year the IRS completed field examinations of a sample survey of 1976 individual returns and undertook a project to determine how well TCMP examinations disclose income covered by information return reporting. Examinations continued on the third survey of corporations with assets up to $10 million and the process for selecting returns for the first TCMP survey of employee benefit plans was started.

### Productivity

This year, IRS established a fund to sponsor studies and tests of ideas to increase productivity. The IRS also established a program to encourage cost savings so that managers who institute them can put 50 percent of the savings generated in their function's financial plan for a one-year period. The IRS identified steps that should save about $21 million when fully operational. For example, filing requirements were modified for employers maintaining corporate pension plans with fewer than 100 employees so that a full return need only be filed once every three years, with a short registration form other years.

### Publishing Statistics

The annual Statistics of Income (SOI) publications provide a variety of statistical data reported on tax returns.

SOI publications issued in 1979 included preliminary reports for individual income tax returns for 1977 and corporation and unincorporated business returns for 1976; complete reports for individuals for 1976, unincorporated businesses for 1975 and corporations for 1974.

This year the IRS completed an SOI report on estate tax returns filed in 1976. These data are compiled every four years. A sample of the 1976 returns provided the basis for a study for the Treasury's Office of Tax Analysis (OTA) to show the relationships of wealth and income of decedents and their heirs as reported on income tax returns.

This year the IRS provided the first SOI supplemental report in several years giving information by country on foreign income and taxes of U.S. corporations claiming a foreign tax credit.

Statistics of Income publications may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

### Tax Models

Tax models are used primarily to respond to requests for tabulations of tax return data. Five basic models cover individuals, corporations, sole proprietorships, partnerships and estates and consist of computer programs used with special SOI files of the most current data.

Under the federal-state exchange program, state governments can obtain copies of the individual income tax model file for tax administration purposes. The same file, with all taxpayer identifying information removed, can also be purchased by the public from the National Archives. The public may also obtain a companion file resulting from a special study done for OTA on the sales of capital assets by individuals.

### Projecting Returns Filed

For planning and budgeting purposes, nationwide projections are made of the number of returns to be filed. Annual updates incorporate economic and demographic changes and the effects of tax law changes and filing patterns.

The number of primary returns is expected to grow from 130 million in 1978 to 164 million in 1990. This increase of 26.3 percent reflects the expected growth in population and economic activity.

### Legislative Activities

The IRS analyzes legislative proposals affecting the IRS and determines their administrative implications. Once legislation is enacted a plan for implementing each provision is coordinated with appropriate IRS offices to assure that all provisions are implemented.

During the year, 17 implementation plans were developed, including plans for major 1978 legislation such as the Energy Tax Act, the Foreign Earned Income Act and the Revenue Act. The Revenue Act alone required more than 500 separate actions to implement the more than 250 changes in the tax law.

## Resources Management

Resources Management is responsible for fiscal and facilities management, personnel, training, centralized services, employment policy, security standards and evaluation and management improvement.

### Centralized Services

This year a Centralized Services organization was established to consolidate computer terminals, microfilm, files and clerical functions in the district offices servicing Examination, Collection, Taxpayer Service, Criminal Investigation and Appeals offices.

### Labor-Management Relations

The National Treasury Employees Union and IRS have agreed to negotiate one master labor agreement to cover the approximately 70,000 IRS employees represented by the union. Final agreement has not yet been reached.

A labor relations course is being given in regional offices to provide technical skills to field office personnel to carry out contract administration. The course emphasizes settlement of grievances and unfair labor practices.

The IRS publishes *The Labor Relations Report*, a biweekly newsletter for executives and personnel staffs, highlighting those developments likely to affect the overall management of the IRS. It also provides personnel staffs with specialized information needed in day-to-day contract administration and in dealing with a union.

### Paraprofessional Positions

Several paraprofessional occupations have been established in IRS to perform lower-graded, less complex work formerly done by higher-graded professional and technical employees. This has provided new avenues of employment for persons with less than the full range of professional or technical qualifications and established a bridge to let clerical and other lower-graded employees have the opportunity to advance to professional and technical occupations.

During 1979, IRS placed almost 3,000 employees in paraprofessional positions. This provided increased upward mobility opportunities and resulted in saving several million dollars over the cost of a similar number of professional and technical positions.



### Awards for Incentive

Many employees received recognition for their outstanding contributions under the IRS incentive awards program. They included one Meritorious Service Award, 11 Commissioner's Awards, 29 Special Achievement Awards of $1,000 or more and three special recognition awards for exposing bribery schemes. Also, William E. Mulroy, Director of the Internal Security Division received the 1979 Association of Federal Investigators Enforcement Award.

Fifty employees received Presidential Letters of Recognition for employee contributions resulting in benefits of $5,000 or more or for exceptional achievement in specific programs.

Under the incentive awards program, 7,727 people were recognized, and the IRS realized about $1,869,000 in benefits during 1979.

### Jobs for the Handicapped

The IRS hired 421 severely handicapped employees this year increasing this part of the workforce to 2,122. There are now 490 legally blind IRS employees, 159 of whom are taxpayer service representatives (TSRs). Some blind TSRs have moved to the Taxpayer Service Specialist (TSS) position, which offers greater advancement opportunity, and others have been promoted from TSS to group manager. The IRS nominee for the Outstanding Federal Handicapped Employee of the Year is Edwin Tylee of the Brookhaven Service Center.

### Training

This year the IRS developed training programs to implement provisions of the Civil Service Reform Act, including a major review of all levels of management training.

A study under the guidance of a board of national and field executives was initiated to assess the effect of changes in IRS duties and recruiting on the training program. Consideration will be given to future instructional technology, the need and location of training centers, development of course materials and necessary staff changes.

During the past year 725 men and women attended three training schools at the Federal Law Enforcement Training Center in Glynco, Ga.

A program has been developed to train senior examiners as petroleum industry specialists. Training courses are also being developed for other industry specialist areas such as aerospace, air transportation, chemicals, construction, data processing, insurance, pharmaceuticals, railroads, tractors and other heavy equipment, utilities and forest products.

Special agents, revenue agents and taxpayer service employees received training about legal requirements and prohibitions under the laws governing disclosure of information. A disclosure orientation course has been developed for use as part of all basic training and annual refresher training courses and disclosure officers were trained to improve the employees' ability to deal effectively with the public in Freedom of Information and Privacy Act matters.

Collection Division and Chief Counsel personnel were given training in the provisions of the bankruptcy law, which was completely revised by Congress late in 1978.

Audiotapes on the rules of conduct were developed for visually handicapped employees and tapes of various taxpayer service courses. were developed for use by blind employees. A videotape that shows data transcription instructions in sign language was developed to provide training for deaf data transcribers.

Training assistance also was provided state and local revenue agencies. Almost 2,000 employees from various state and local governments have received training assistance in financial investigative techniques, and procedures used in investigation of white collar crime.

More than 600 IRS employees attended writing workshops to improve the quality of public correspondence.

### Logistics Support

In order to comply with an Executive Order requiring a 20 percent reduction in energy use by 1985, a joint IRS/GSA task force has been formed to investigate energy conservation in the IRS service centers.

The task force identified potential annual savings of up to $708,000 in utility costs after surveying the Andover, Atlanta, Fresno, Memphis and Ogden Service Centers. Implementation plans are underway to help produce a net reduction Servicewide of approximately 30 percent in the consumption of energy during 1980 in comparison with the 1975 base year.

Over two-thirds of the *Internal Revenue Manual* has been converted to a new electronic composing system. Under this system, updates to the *Manual* can be composed, printed and distributed in three to 10 workdays depending on the number of pages, less than a quarter of the time required previously.

The cost of express mail systems was reduced by approximately $300,000 through use of IRS courier service and better transportation methods. Records disposition released space and equipment valued at $5,608,000. Some 170,500 cubic feet of records were destroyed and more than 371,500 cubic feet were retired to federal record centers.

Savings of over $800,000 were realized through the release of space and a reduction of utilities, guard services and space rental rates for released space. More economical use of the long distance federal telecommunications system resulted in savings of $1.3 million.

An IRS household goods relocation system was introduced that increases efficiency and has saved approximately $100,000 since implemented.

The IRS experienced a rate of 3.2 disabling injuries per million staff hours worked in calendar year 1978. IRS employees drove 121 million miles with an accident frequency rate of 5.5 accidents per million miles driven. Both the disabling injury and motor vehicle accident rate reflect slight reductions from 1977 and continue to be among the lowest of all federal agencies.

### Equal Employment Opportunity

The IRS established the position of Assistant to the Commissioner (Equal Opportunity) to give emphasis to equal opportunity and affirmative action efforts.



Many IRS offices this year observed special events, such as Black History Week, Hispanic Heritage Week, Women in Government Month, and Asian/Pacific American Week.

New program guidance was issued in an EEO handbook for IRS managers and special issuances were made on evaluation of EEO performance and collateral EEO duties. Affirmative action plans were prepared in each office based on assessment of local needs and problems.

From July 1978 through July 1979, total full-time regular employment in the IRS showed a 1.9 percent decrease. However, during that same time, the number of women decreased only .5 percent and the number of minorities increased 2.5 percent. Women in positions at GS-13 and above increased from 4.5 percent to 5.3 percent and minorities from 5.8 percent to 6.5 percent. There were gains in the employment of women and minorities in almost all IRS major occupations, including attorney, criminal investigator, revenue agent and appeals officer.

This year the IRS awarded contracts of $1,521,000 to minority or disadvantaged owned businesses exceeding its $1 million goal by 52 percent.

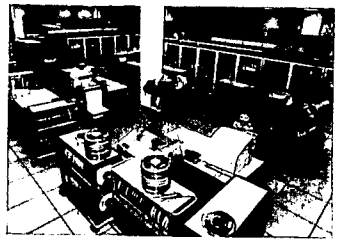
## Data Services

The Office of the Assistant Commissioner for Data Services develops, implements and evaluates computer systems, programs and hardware requirements of the IRS and is responsible for the operations of the National Computer Center in Martinsburg, W. Va., and the Data Center in Detroit, Mich.

During the past year, Data Services has been involved in major changes to the Form 1040 processing system brought about by the Revenue Act of 1978.

### National Computer Center

The National Computer Center uses eight computer systems and three computerized microfilm systems to process the individual, business, exempt organization, employee plans and individual retirement account master files for the nation.



The computer center operates 24 hours a day, seven days a week and maintains reciprocal accounting with each of the ten IRS service centers. As of August 1979 the number of taxpayer accounts on the individual master file had grown to 114.2 million, a 2.9 percent increase over the same period in 1978. The business master file had 21.3 million accounts — 24.1 percent above 1978. There were also 1.1 million for the exempt organization master file, 1.3 million for the employee plans master file and 227,000 on the individual retirement account master file.

### Data Center

The IRS Data Center performs the IRS' non-master file data processing operations. Installation of a new computer system is scheduled for completion the last quarter of calendar year 1979. The increased capacity and sophistication of this new system will enable the Data Center to replace the two existing systems, and to serve as a teleprocessing center for the IRS.

A new filming system has been installed at the Data Center to produce microfiche of 700,000 employee benefit plan returns each year. This filming system is designed to provide immediate access to copies of these returns at IRS service centers and the Department of Labor as mandated by law. This system includes one of the largest applications of full reversal processing of film from quality source documents. Full implementation early next year will result in the production of approximately 100,000 microfiche per month.

## Technical Activities

The IRS tax ruling program consists of letter rulings, technical advice and published revenue rulings. During the year IRS acted on 18,770 requests for changes in accounting methods and periods, responded to 8,719 requests for technical advice, and issued 450 revenue rulings and revenue procedures.

A letter ruling is a written statement issued to a taxpayer interpreting and applying tax law to a specific set of facts. Such a ruling provides guidance concerning the tax effects of a proposed transaction. Letter rulings are not precedents and may not be relied upon by taxpayers other than the recipient.

Technical advice is issued by the National Office at the request of a district office to provide guidance on the proper application of the tax laws to specific facts in connection with the audit of a taxpayer's return or claim for refund or credit.

A revenue ruling is an interpretation of the tax laws published in the weekly *Internal Revenue Bulletin* to inform and guide taxpayers, practitioners and IRS personnel.

### Updated Procedure

During 1979 the IRS published Revenue Procedure 79 – 45, which revised the procedures the IRS will follow in issuing rulings and determination letters and in entering into closing agreements. This revenue procedure also contained instructions for taxpayers to follow when requesting such rulings and determinations. Revenue Procedure 79 – 46 revised the procedures for furnishing technical advice to district directors and Appeals offices and informed taxpayers of their rights when such advice is requested.

### Internal Revenue Bulletin

The weekly *Internal Revenue Bulletin* announces official rulings and procedures of the IRS and published Treasury Decisions, Executive orders, tax conventions, legislation, court decisions and other items of general interest. *Bulletin* contents of a permanent nature are consolidated semiannually into *Cumulative Bulletins*. Weekly and semiannual issues are available to the public through the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

**Revenue Rulings and Revenue Procedures Published**

| Type | Number |
|---|---|
| Administrative | 18 |
| Employment taxes | 14 |
| Estate and Gift Taxes | 48 |
| Excise Taxes | 40 |
| Exempt Organizations | 25 |
| Income Taxes | 280 |
| Employee Plans | 22 |
| Tax Conventions | 3 |
| **Total** | **450** |

During 1979 the *Bulletin* included 388 revenue rulings, 62 revenue procedures, 26 Public Laws relating to Internal Revenue matters and 17 committee reports, 76 Treasury Decisions containing new or amended regulations, 36 delegation orders, 2 Treasury Department Orders, 19 notices of suspension and disbarment from practice before the IRS, 270 announcements of general interest and 4 court decisions.

### Making Rulings Public

The Tax Reform Act of 1976 provided that IRS rulings and technical advice memoranda generally be opened to public inspection after the deletion of the taxpayer's identity, trade secrets and confidential commercial and financial information.

Rulings and technical advice requested after Oct. 31, 1976, are usually made available within 90 days after they are issued to taxpayers. Some 25,000 of the approximately 83,000 issued in answer to requests made before Nov. 1, 1976, were made available to the public in 1978. During 1979, the remaining 58,000 determinations written in the past were made available to the public, marking the end of the past rulings release program.



**Requests for Tax Rulings and Technical Advice (Closings)**

| Subject | Total | Taxpayers' Requests | Field Requests |
|---|---|---|---|
| **Total** | **27,489** | **26,565** | **924** |
| Administrative Provisions | 60 | 35 | 25 |
| Changes in Accounting Methods | 6,842 | 6,842 | |
| Changes in Accounting Periods | 11,928 | 11,928 | |
| Earnings and Profits Determinations | 1,268 | 1,268 | |
| Employment and Self-Employment Taxes | 643 | 389 | 254 |
| Engineering Questions | 148 | 89 | 59 |
| Estate and Gift Taxes | 439 | 309 | 130 |
| Excise Taxes | 196 | 121 | 75 |
| Individual Income Tax Matters | 1,864 | 1,737 | 127 |
| Corporation Tax Matters | 4,101 | 3,847 | 254 |

## Inspection

The Inspection Service's internal audit and internal security programs aid IRS managers in maintaining the highest levels of efficiency and integrity.

### Internal Audit

The Internal Audit Division appraises IRS operations to measure compliance with management policies, to determine whether procedures are in accordance with law and regulations and to ascertain whether programs are carried out effectively, efficiently and with integrity.

Audit emphasis is placed on IRS activities considered to be high-risk or having significant impact on taxpayer service and revenue collection. High priority is given to reviewing controls for safeguarding of tax information and assuring fair and equitable treatment of taxpayers.

Coordinated audits provide uniform coverage in a representative number of offices to evaluate a program on a national or regional basis. These audits give managers a better perspective on how their functions are operating, permit nationwide corrective action, if necessary, and result in more effective use of audit resources.

Management actions on Internal Audit reports resulted in better service to taxpayers, strengthened controls and improved operations resulting in measurable savings and additional revenue estimated at $302 million.

Abstracts of Internal Audit findings are distributed monthly to IRS officials to identify operational areas that may need increased attention. Periodic reports are made to top management on the implementation and effectiveness of actions taken on GAO reviews of IRS activities.

### Internal Security

The Internal Security Division protects the integrity of the IRS by investigating high-risk areas and alerting managers and employees to integrity hazards.

The Division investigates complaints of criminal misconduct affecting IRS employees or operations and persons who attempt to bribe, threaten or assault IRS personnel. It also investigates the unauthorized disclosure of tax information by employees or practitioners and other charges against tax practitioners.

The Division also investigates IRS job applicants and conducts special investigations and inquiries for the Commissioner and the Secretary of the Treasury.

Indications of fraud, embezzlement, or other wrongdoing by IRS employees are investigated thoroughly. During the year possible breaches of integrity by 134 employees and 110 other individuals were investigated. Of the investigations begun into these possible breaches, 28 investigations were completed in 1979. As a result 23 employees and 11 others were cleared of allegations of improprieties, while actions were taken or are pending against 5 employees.

During 1979 Internal Security inspectors arrested or were responsible for the indictment of 61 taxpayers and tax practitioners and 29 employees or former employees. During the year, 97 persons were convicted or pleaded guilty. Of these, 38 convictions were for bribery, 16 were for assault and the remainder involved such criminal charges as conspiracy to defraud the government, obstruction of justice, subscribing to false returns, disclosure of confidential tax information and embezzlement.

### Bribery Awareness

The Division increased the number of bribery awareness presentations to IRS employees expanding them to include videotapes that realistically portray bribery situations IRS employees may encounter.

Employees reported 246 possible bribery attempts resulting in 53 arrests or indictments.

### Assaults and Threats

Assaults and threats against IRS employees declined by 2.2 percent from 465 in 1978 to 455 in 1979.

Internal Security protects IRS employees threatened or assaulted while performing their duties and seeks vigorous prosecution of these cases by U.S. Attorneys. In instances where prosecution is declined—usually in verbal threat cases without physical assault—an inspector, with the approval of the U.S. Attorney, contacts the alleged assailant to inform him or her of applicable federal statutes concerning assaults or threats on government employees. The person also is advised that repetitive acts could result in prosecution.

### Checking the Workforce

The Division completed 12,696 conduct investigations of employees during the year and police record checks were conducted on all persons considered for temporary appointments.

These investigations and record searches resulted in the rejection of 98 job applicants and disciplinary actions, including dismissals, suspensions, reprimands, warning or demotions against 632 employees. Also, at the request of the Inspector General and of the Office of the Secretary of the Treasury, the Division conducted special investigations involving employees of other Treasury bureaus.

While some investigations of IRS employees resulted in criminal prosecution or disciplinary action, in many cases employees were exonerated of accusations of misconduct.



## Chief Counsel

The Chief Counsel, an Assistant General Counsel of the Treasury Department, is the chief legal officer for the IRS and is a member of the Commissioner's executive staff. As such, the Chief Counsel advises the Commissioner on matters pertaining to the administration and enforcement of the internal revenue laws and related statutes, as well as on nontax legal questions.

The Chief Counsel is assisted by a Deputy Chief Counsel (General), a Deputy Chief Counsel (Litigation), a Deputy Chief Counsel (Technical) and seven Regional Counsels.

The Office of Chief Counsel employs over 900 attorneys making it, next to the Department of Justice, the largest law firm in the country. These attorneys are located in the National Office, the seven Regional Counsel offices and 45 District Counsel offices.

Approximately 40 percent of attorney time is spent handling litigation in the United States Tax Court. The attorneys also advise the IRS and assist the Department of Justice on refund suits, criminal tax cases, suits seeking the disclosure of files and documents of the IRS, collection suits and nontax litigation involving the IRS in federal and state courts.

### Administrative Services

The Administrative Services Division supervises matters relating to budget, administration and management in the Office of Chief Counsel. The Division coordinates the recruitment program for the Chief Counsel's office, operates the summer employment program for legal interns and provides opportunities for Counsel attorneys to participate in law school, bar association and in-house training courses.

Under the aegis of the Division, an equal employment opportunity advisory committee and a federal women's program advisory committee, composed of representatives from each division in the National Office, assist in the administration of the Chief Counsel's equal opportunity program.

The Division completed a feasibility study on implementation of a computerized case tracking and management information system. The results of the study were presented and favorably received by the IRS' ADP policy/resource board and departmental and GSA approval is being sought. This system will be phased-in between 1981 and 1983. Planning is also underway for an interim automated system to monitor the effectiveness of Revenue Procedure 78-9. The interim system will fill the gap between the current manual monitoring procedures and the case tracking and management information system. Decentralization of the Reports and Information Retrieval System (RIRA) for refund suits should be completed during 1980.

### Criminal Tax

Attorneys in the Criminal Tax area handle all criminal tax legal matters for the IRS, furnish legal advice to the Criminal Investigation Division, review criminal tax cases to determine if cases warrant prosecution, and coordinate criminal tax prosecutions with the Department of Justice. Assistance is provided to United States Attorneys in criminal tax trials upon request, and to the Tax Litigation Division in coordinating the application of the civil fraud penalties. Criminal Tax personnel also

### Receipt and Disposal of Criminal Tax Matters

| Prosecution Cases Received From Criminal Investigation | |
|---|---|
| Total Opened | 3,338 |
| Total Closed | 3,061 |
| Counsel Declined | 376 |
| Department of Justice Declined | 424 |
| U.S. Attorney Declined | 425 |
| Prosecutions Completed | 1,836 |
| **Opinions** | |
| Pending Beginning | 31 |
| Total Requested | 116 |
| Total Rendered | 112 |
| Pending End | 35 |

coordinate disclosure matters, as well as Freedom of Information Act and Privacy Act matters, in cases where criminal action is anticipated or has been undertaken. For 1979 there were 2,883 referrals by Counsel for prosecution and 20,715 staff hours were spent on legal assistance to the Criminal Investigation Division.

This year the Supreme Court decided in *United States v. Caceres* 99 S. Ct. 1465 (1979) that it was not a denial of due process to fail to follow administrative regulations governing the IRS' conduct in consensual monitoring situations. Caceres sought to exclude evidence of his conversations with a revenue agent whom he attempted to bribe. The revenue agent was carrying a concealed recording device the use of which had not been given the level of approval required by the regulations for nonemergency situations. The Court found the regulations in question to be "housekeeping" regulations upon which Caceres was not entitled to rely in his dealings with the IRS.

### Disclosure Litigation

Attorneys in the Disclosure Litigation Division handle all Freedom of Information Act appeals to the IRS. The Division provides legal advice to the IRS on issues arising under the Freedom of Information Act, the Privacy Act of 1974, and the confidentiality provisions of the *Internal Revenue Code*. Additionally, the Division handles any requests or demands for testimony or production of IRS records made to National Office employees in connection with any proceeding before any court, administrative agency or other authority.

Attorneys work closely with the Disclosure Operations Division of the IRS, and coordinate with the Department of Justice all litigation arising under the Freedom of Information and Privacy Acts, including recommendations about defense or settlement of suits and appeals of adverse decisions.

Much of the 1979 litigation concerned taxpayer attempts to gain access to civil and criminal investigatory files through the Freedom of Information and Privacy Acts rather than using established discovery procedures. Also, employees and their union representatives frequently have litigated under these acts in attempting to obtain access to personnel records of other employees and management documents for use in grievance and other personnel proceedings.

### EP/EO

The Employee Plans and Exempt Organizations Division provides legal assistance to the Office of the Assistant Commissioner (EP/EO) in the issuance of letter rulings and determinations to taxpayers, technical advice to IRS personnel and revenue rulings and revenue procedures. The Division also provides legal assistance to other divisions in Chief Counsel in determining litigating positions and in coordinating these positions with the ruling positions of the IRS on employee plans and exempt organizations matters. In EP/EO matters, the Division represents the Commissioner and IRS in tax legislative matters; provides the Treasury Department with technical assistance and expertise in the development of internal revenue legislation; furnishes assistance to congressional staffs in the drafting of committee reports; conducts hearings on proposed regulations, and assists in the preparation and review of certain tax forms, instructions and publications.

**Employee Plans and Exempt Organizations Division Cases Received**

| Type of Case | |
|---|---|
| Revenue Rulings | 41 |
| Letter Rulings | 24 |
| Technical Advice | 42 |
| Other Advice | 14 |
| Legislation | 3 |
| Regulations | 34 |
| Miscellaneous | 5 |
| **Total** | **163** |

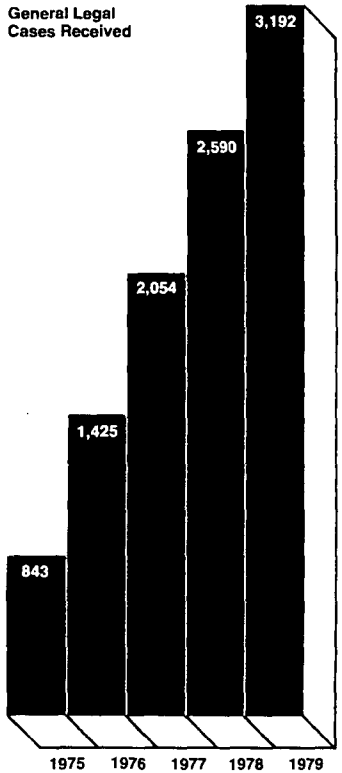


During 1979, the EP/EO Division developed regulations implementing the Employee Retirement Income Security Act of 1974 (ERISA) and the Tax Reform Act of 1976. Regulations were published in proposed, temporary or final form on such matters as the requirements for establishing employee stock ownership plans (ESOPs) and making of loans, ESOP requirements for taxpayers electing 11 percent investment credit, funding rules and coverage and eligibility rules for minimum participation standards for employee plans and definition of and minimum distribution rules for private foundations.

### General Legal Services

The General Legal Services Division represents the IRS in labor cases, such as impasse proceedings, unfair labor practices, arbitration hearings and serves as a member of and counsel to management teams negotiating individual and multi-unit labor agreements. The Division also provides, where appropriate, assistance to IRS employees and officials who are sued for damages in actions taken in the due performance of official duties. These attorneys also represent the IRS in adverse action and discrimination proceedings, and the Director of Practice in the Office of the Secretary of the Treasury concerning disciplinary actions brought against tax practitioners. Advice is provided to the IRS concerning government contracts, tort claims, forfeitures, Inspection Service actions and other matters not directly involving federal taxes. The director acts on behalf of the Chief Counsel as the Deputy Counselor for rendering advice and guidance to the IRS and Chief Counsel's office on conflict of interest and issuing authoritative interpretations of the employee rules of conduct. The director is the designated agency official for the IRS and Chief Counsel's office under the Ethics in Government Act of 1978.

The attorneys tried 114 cases with 862 hours of trial time for 1979. All litigation in the personnel and labor areas increased substantially this year and questions involving matters of ethics rose sharply due to the enactment of the Ethics in Government Act of 1978. Therefore, the Division took on the responsibility of reviewing the financial disclosure statements of IRS and Counsel officials required to file under that Act.



### General Litigation Cases Received

| Types of Cases–Regions: | 1978 | 1979 |
|---|---|---|
| Bankruptcy Act Proceedings | 2,194 | 2,104 |
| Miscellaneous Insolvencies | 70 | 70 |
| Decedents' Estates | 424 | 386 |
| Suits to Collect Taxes | 750 | 633 |
| Section 2410 (28 U.S.C 2410): | | |
| Interpleaders | 274 | 302 |
| Others | 237 | 243 |
| Injunctions | 163 | 146 |
| Disclosure and Testimony | 609 | 461 |
| Summons Cases | 6,506 | 6,799 |
| Erroneous Refund Suits | 34 | 31 |
| Miscellaneous Court Cases | 1,025 | 1,357 |
| Advisory Opinions | 4,774 | 4,870 |
| Tax Return Preparers: | | |
| Advisory Opinions | 8 | 12 |
| Court Cases | 1 | 7 |
| **Total All Regions** | **17,069** | **17,421** |
| **National Office:** | **1978** | **1979** |
| Appeals | 168 | 226 |
| Advisory | 392 | 324 |
| Other Centralized Cases* | 11 | 13 |
| **Total National Office** | **[R]571** | **563** |
| **Total All Regions & National Office** | **[R]17,640** | **17,984** |

* Includes Railroad Reorganizations and Actions for Injunctions and/or Declaratory Relief.
[R] Revised, International Operations no longer handled in the National office.

### General Litigation

The General Litigation Division furnishes legal advice to the IRS in connection with the collection and internal assessment procedures relating to federal taxes and assists the Department of Justice in the prosecution and defense of suits to collect taxes, suits to recover erroneous refunds, proceedings under the Bankruptcy Act and other insolvencies, civil enforcement of summonses and injunctions and declaratory judgment actions. It furnishes legal services and informal advice to IRS district offices, and to the Assistant Commissioners for Compliance and for Taxpayer Service and Returns Processing.

On Nov. 6, 1978, the Bankruptcy Reform Act of 1978 was signed into law, effective Oct. 1, 1979. The Act is a comprehensive revision of bankruptcy law. Over the past four years personnel of the Division assisted in the development of this important legislation.

The Bankruptcy Act will have a profound impact upon the United States' priorities and right of collection of tax debts from the bankrupt taxpayer both in and outside bankruptcy. It will also cause substantial changes in the present collection procedures in bankruptcy proceedings.

### Interpretative

The Interpretative Division provides legal assistance to the Assistant Commissioner for Technical in the issuance of letter rulings to taxpayers, technical advice to IRS personnel and revenue rulings and revenue procedures to guide the general public. Interpretative also provides legal assistance to other divisions in the Chief Counsel's office in establishing litigating positions and in coordinating these positions with the ruling positions of the IRS except in cases involving employee plans, exempt organizations and certain general litigation matters.

### Legislation and Regulations

The Legislation and Regulations Division represents the Commissioner and the IRS in tax legislative matters, other than those relating to employee plans and exempt organizations. Division attorneys also provide the Treasury



### Receipt and Disposal of General Litigation Cases National and Regional

| Status | Court | Non-Court | Total |
|---|---|---|---|
| Pending October 1, 1978 | [R]10,115 | [R]1,736 | 11,851 |
| Received during year | 12,317 | 5,667 | 17,984 |
| Disposed of | 11,991 | 5,731 | 17,722 |
| Pending September 30, 1979 | 10,441 | 1,672 | 12,113 |

[R] Revised. 18 cases transferred from Non-Court status to Court status.

Department's Assistant Secretary for Tax Policy with technical assistance in developing and drafting internal revenue legislation and furnish assistance to congressional staffs in drafting committee reports on tax legislation.

Legislation and Regulations Division attorneys draft proposed regulations, other than regulations that involve employee plans and exempt organizations and represent the IRS in negotiating and drafting tax treaties with foreign governments. Working closely with IRS officials, attorneys participate in preparing and reviewing tax forms and instructions, hold hearings on proposed regulations, evaluate suggestions by IRS personnel and others for regulatory changes, and review publications issued for the guidance of taxpayers and IRS officials.

During 1979 the Division developed regulations to implement the Tax Reform Act of 1976 and began to develop regulations to implement the Revenue Act of 1978, the Energy Tax Act of 1978 and the Foreign Earned Income Act of 1978. A substantial number of these and other projects were published either as proposed, temporary or final regulations. These projects included regulations relating to the targeted jobs tax credit, residential energy credit, investment credits for regulated public utilities and movies, group term life insurance with permanent benefits, arbitrage bonds, definition of 'airport' in the municipal bond context and LIFO inventory conformity requirements. Other regulation projects concerned limitation of losses to amounts at risk, real estate investment trusts, foreign tax credit, exclusion and deduction for taxpayers living and working abroad, investments in U.S. property by controlled foreign corporations, original issue discount on short-term obligations and bad debts reserves for savings and loan associations filing consolidated returns. Also included are farm and real property valuation rules for estate tax, generation-skipping transfers, advance payments of earned income credit, exemption from excise tax for certain alcohol fuels, reporting on bearer certificates and combined annual wage withholding.

### Receipt and Disposal of Legislation and Regulations Division Cases

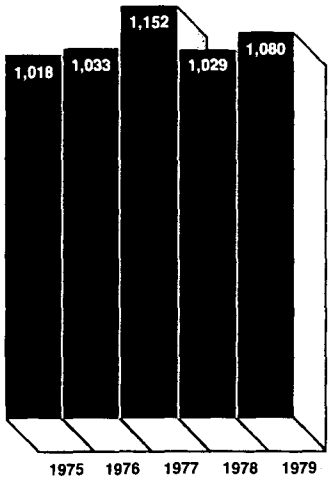
| Type of Case | Pending 10/1/78 | Received | Disposed | Pending 9/30/79 |
|---|---|---|---|---|
| Legislation | 94 | 73 | 112 | 55 |
| Regulations | 303 | 139 | 123 | 319 |
| Miscellaneous | 66 | 80 | 68 | 78 |
| **Total** | **463** | **292** | **303** | **452** |

## Tax Litigation

The Tax Litigation function provides legal services in connection with all actions brought in the United States Tax Court. Trial of Tax Court cases is generally the responsibility of attorneys in the field offices. Attorneys in the Tax Litigation function perform all legal services for the IRS in connection with suits brought by taxpayers in the United States District Courts and the Court of Claims for refund of taxes and for certain declaratory judgments. They determine the legal position of the IRS in such suits and make recommendations to the Department of Justice, which handles the trial of cases.

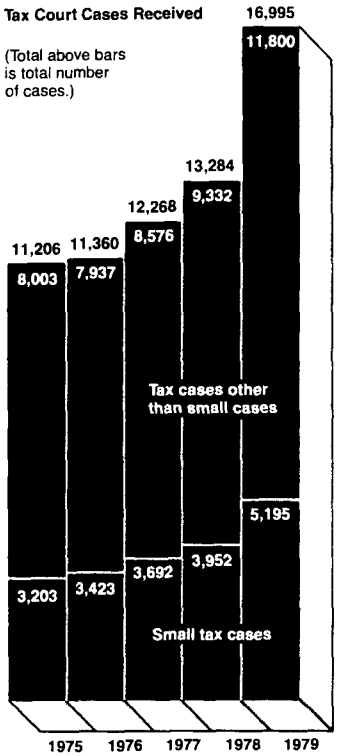
The Tax Litigation Division in the National Office determines and coordinates the legal position of the IRS to assure uniformity and consistency in all such cases in litigation. It also serves as legal advisor to the directors of the Appeals and Examination Divisions. The attorneys in the field offices serve as legal advisers to the Appeals offices, district directors, service center directors, and the Director of the Office of International Operations, and review certain categories of statutory notices of refund claim disallowances, notices of deficiency and determination letters in nondocketed cases.

**Refund Litigation Cases Received**




**Tax Court Cases Received**

(Total above bars is total number of cases.)






## Tax In Litigation-Tax Court Cases

(In thousands of dollars)

| Status | Number of Cases[1] | All Tax Court Cases[2]: Taxes and Penalties: In Dispute | All Tax Court Cases[2]: Taxes and Penalties: Determined | All Tax Court Cases[2]: Overpayments: Claimed | All Tax Court Cases[2]: Overpayments: Determined | Small Tax Cases: Number of Cases | Small Tax Cases: Taxes and Penalties: In Dispute | Small Tax Cases: Taxes and Penalties: Determined | Small Tax Cases: Overpayments: Claimed | Small Tax Cases: Overpayments: Determined |
|---|---|---|---|---|---|---|---|---|---|---|
| Pending 10/1/78 | 23,167 | $3,262,216 | | $278,537 | | 3,503 | $2,551 | | $23 | |
| Received | 16,995 | 1,037,187 | | 11,357 | | 5,195 | 4,969 | | 52 | |
| Disposed[3] | 12,844 | 591,920 | $207,678 | 16,674 | $7,976 | 4,248 | 2,970 | $1,624 | 53 | $26 |
| Recovery Rate[4] | | | 35.1% | | 47.8% | | | 54.7% | | 49.1% |
| Pending 9/30/79 | 27,318 | 3,707,483 | | 273,220 | | 4,450 | 4,550 | | 22 | |

[1] Does not include an inventory of non-deficiency cases consisting of 46 cases pending 10/1/78, 65 receipts, 41 disposals, and 70 cases pending 09/30/79.
[2] Includes both small tax cases and other.
[3] Disposals include cases tried, settled, and dismissed. Some of the determined amounts are for cases which were subsequently appealed.
[4] Amount determined expressed as percentage of Amount Asserted or Claimed. These amounts do not include proposed assessments which are agreed to by the taxpayer at District or Appellate conferences. In the case of a claimed overpayment the Recovery Rates shown above represent the portion of the amount in dispute which was refunded to the taxpayer.

## Appellate Court Case Record

(Decisions-Refund Litigation and Tax Court Cases)

| Court | Total | For the Government: No. | For the Government: % | Against the Government: No. | Against the Government: % | Partly for and Partly Against the Government: No. | Partly for and Partly Against the Government: % |
|---|---|---|---|---|---|---|---|
| Courts of Appeals | 189 | 144 | 76.2 | 34 | 18.0 | 11 | 5.8 |
| Originally tried in Tax Court | [1] 113 | 94 | 83.2 | 10 | 8.8 | 9 | 8.0 |
| District Courts | [2] 76 | 50 | 65.8 | 24 | 31.6 | 2 | 2.6 |
| Supreme Court | 3 | 2 | 66.7 | 1 | 33.3 | | |

[1] Of the cases originally tried in Tax Court, the Courts of Appeals rendered 113 opinions in 158 dockets, including 120 dockets for the government, 15 dockets against the government, and 23 dockets partially for the government.
[2] Of the cases originally tried in District Courts, the Courts of Appeals rendered 76 opinions in 91 cases, including 59 cases for the government, 27 against the government, and 5 partially for the government.

### Trial Court Case Record
(Opinions Rendered-Refund Litigation and Tax Court Cases)[1]

| Action | | Court of Claims | | District Courts | | Tax Court[4] Small Tax Cases | | Tax Court[4] Other | | Tax Court[4] Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1978 | 1979[2] | 1978 | 1979[3] | 1978 | 1979[4] | 1978 | 1979[5] | 1978 | 1979 |
| Decided in favor of Government | -Number | 30 | 20 | 216 | 146 | 262 | 347 | 271 | 325 | 533 | 672 |
| | -Percent | 63.8% | 50.0% | 62.8% | 60.3% | 54.0% | 55.2% | 47.9% | 49.8% | 50.7% | 52.5% |
| Decided in favor of Taxpayer | -Number | 12 | 15 | 90 | 69 | 50 | 62 | 66 | 65 | 116 | 127 |
| | -Percent | 25.5% | 37.5% | 26.2% | 28.5% | 10.3% | 9.9% | 11.6% | 10.0% | 11.0% | 9.9% |
| Decided partially for the Taxpayer and partially for the Government | -Number | 5 | 5 | 38 | 27 | 173 | 219 | 229 | 262 | 402 | 481 |
| | -Percent | 10.6% | 12.5% | 11.1% | 11.2% | 35.7% | 34.9% | 40.5% | 40.2% | 38.3% | 37.6% |
| Total Opinions | | 47 | 40 | 344 | 242 | 485 | 628 | 566 | 652 | 1,051 | 1,280 |

[1] Related Cases are reflected as one opinion.
[2] 40 opinions in Court of Claims involving 42 cases.
[3] 242 opinions in District Courts involving 266 cases.
[4] 628 Tax Court opinions involving 653 Small Tax Cases.
[5] 652 Tax Court opinions involving 837 cases other than Small Tax Court Cases.
[6] On cases for which decisions were entered during the fiscal year.

### Tax In Litigation—Refund Suits[1]
(In thousands of dollars)

| Status | District Courts Number of Cases | District Courts Amount in Dispute[3] | District Courts Amount in Suit[4] | Court of Claims Number of Cases | Court of Claims Amount in Dispute[3] | Court of Claims Amount in Suit[4] | Total Number of Cases | Total Amount in Dispute[3] | Total Amount in Suit[4] |
|---|---|---|---|---|---|---|---|---|---|
| Pending 10/01/78 | 2,775 | $648,653 | | 751 | $617,705 | | 3,526 | $1,266,358 | |
| Received | 915 | 84,978 | | 165 | 152,422 | | 1,080 | 237,400 | |
| Disposed[2] | 758 | 228,735 | | 123 | 21,905 | | 881 | 250,640 | |
| Amount in Suit[4] | | | $214,856 | | | $18,842 | | | $233,698 |
| Amount not Refunded[5] | | | 196,851 | | | 9,956 | | | 206,807 |
| %Not Refunded | | | 91.6% | | | 52.8% | | | 88.5% |
| Pending 9/30/79 | 2,932 | 504,896 | | 793 | 748,222 | | 3,725 | 1,253,118 | |

[1] Cases in Courts of Appeal and the Supreme Court are included under the columns representing the court of origin.
[2] Disposals include cases tried, settled, and dismissed.
[3] Amount in dispute includes claims for refund of taxes, penalties and interest, and counterclaim amounts.
[4] Amount of taxes, penalties and assessed interest sought as a refund.
[5] That portion of the amount sought as a refund, which was not refunded to the taxpayer.



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**Table 1.—Internal revenue collections by sources and by internal revenue regions districts, States, and other areas**
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses, totals for other States shown at bottom of table) | Total internal revenue collections | Corporation income tax [2] | Individual income and employment taxes: Total | Income tax not withheld and SECA [3,4,5] | Income tax withheld and FICA [3,4,5] | Railroad Retirement | Unemployment insurance [7] |
|---|---|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| **United States, total** | **480,412,185** | **71,447,876** | **364,395,731** | **61,248,359** | **297,523,479** | **2,365,893** | **2,958,000** |
| **North-Atlantic Region** | **78,985,867** | **15,334,491** | **58,886,673** | **7,780,367** | **50,822,893** | **71,216** | **512,197** |
| Albany (See (c) below) | 4,090,616 | 564,630 | 3,493,826 | 313,110 | 3,148,467 | 8,337 | 25,912 |
| Augusta (Maine) | 1,144,273 | 141,672 | 969,324 | 197,823 | 751,903 | 9,808 | 9,790 |
| Boston (Massachusetts) | 11,311,660 | 1,833,758 | 9,064,820 | 1,350,883 | 7,618,860 | 13,574 | 81,522 |
| Brooklyn (See (c) below) | 7,195,035 | 655,117 | 6,176,732 | 1,409,693 | 4,682,757 | 29,588 | 54,693 |
| Buffalo (See (c) below) | 7,047,046 | 1,313,333 | 5,437,441 | 758,003 | 4,830,167 | 479 | 48,792 |
| Burlington (Vermont) | 508,555 | 54,829 | 441,348 | 101,796 | 334,664 | 635 | 4,252 |
| Hartford [8] (Connecticut) | 9,108,138 | 1,788,687 | 6,904,357 | 1,118,004 | 5,728,454 | 484 | 57,415 |
| Manhattan (See (c) below) | 33,467,702 | 8,493,122 | 23,869,980 | 2,129,284 | 21,532,695 | 7,547 | 200,454 |
| Portsmouth (New Hampshire) | 1,286,685 | 192,526 | 1,041,728 | 206,181 | 823,369 | 50 | 10,149 |
| Providence (Rhode Island) | 1,826,157 | 296,818 | 1,487,119 | 193,631 | 1,273,556 | 714 | 19,218 |
| **Mid-Atlantic Region** | **84,879,786** | **8,484,301** | **52,709,871** | **7,548,880** | **43,985,175** | **792,352** | **403,684** |
| Baltimore [9] (Maryland & D.C.) | 13,111,071 | 1,510,482 | 10,960,465 | 1,444,840 | 9,188,422 | 268,504 | 58,699 |
| Newark [9] (New Jersey) | 16,775,446 | 2,401,588 | 13,659,428 | 2,076,197 | 11,464,556 | 610 | 118,068 |
| Philadelphia (See (e) below) | 14,624,529 | 1,774,560 | 12,155,416 | 1,726,867 | 9,941,901 | 388,438 | 96,209 |
| Pittsburgh (See (e) below) | 10,324,276 | 1,240,730 | 8,541,396 | 959,249 | 7,479,909 | 33,131 | 69,106 |
| Richmond (Virginia) | 7,626,933 | 923,558 | 5,838,185 | 1,172,012 | 4,515,581 | 101,668 | 48,923 |
| Wilmington (Delaware) | 2,217,530 | 613,384 | 1,554,981 | 167,495 | 1,374,805 | 2 | 12,679 |
| **Southeast Region** | **44,168,204** | **5,934,709** | **34,789,350** | **6,007,122** | **28,313,310** | **104,422** | **344,496** |
| Atlanta (Georgia) | 7,314,748 | 1,009,949 | 5,725,285 | 957,521 | 4,705,439 | 3,589 | 58,736 |
| Birmingham (Alabama) | 4,130,524 | 482,660 | 3,465,952 | 686,819 | 2,741,416 | 2,914 | 34,902 |
| Columbia (South Carolina) | 3,030,602 | 398,836 | 2,560,693 | 489,668 | 2,042,526 | 636 | 27,863 |
| Greensboro (North Carolina) | 6,936,422 | 1,494,973 | 5,932,875 | 1,069,619 | 4,796,409 | 387 | 66,460 |
| Jackson (Mississippi) | 1,755,618 | 193,531 | 1,509,270 | 435,874 | 1,056,225 | 1,016 | 16,155 |
| Jacksonville [9] (Florida) | 13,326,584 | 1,599,045 | 10,883,848 | 3,379,763 | 7,313,514 | 95,717 | 94,854 |
| Nashville [9] (Tennessee) | 5,669,707 | 755,715 | 4,691,426 | 987,858 | 3,657,781 | 263 | 45,526 |
| **Central Region** | **70,938,698** | **10,959,787** | **55,480,282** | **6,945,505** | **47,863,987** | **216,747** | **434,043** |
| Cincinnati [9] (See (d) below) | 11,300,710 | 2,153,764 | 8,710,584 | 1,062,556 | 7,481,851 | 89,080 | 77,098 |
| Cleveland (See (d) below) | 16,111,111 | 2,231,868 | 12,824,157 | 1,436,170 | 11,278,631 | 9,714 | 99,643 |
| Detroit (Michigan) | 26,664,078 | 4,712,810 | 20,815,212 | 1,994,642 | 18,623,992 | 34,046 | 162,332 |
| Indianapolis (Indiana) | 9,820,127 | 1,061,722 | 8,273,167 | 1,368,016 | 6,843,468 | 7,994 | 53,689 |
| Louisville (Kentucky) | 5,271,999 | 615,880 | 3,312,156 | 756,162 | 2,452,222 | 75,732 | 28,040 |
| Parkersburg (West Virginia) | 1,770,674 | 183,742 | 1,525,005 | 327,759 | 1,183,825 | 181 | 13,241 |
| **Midwest Region** | **72,634,882** | **12,123,829** | **57,048,322** | **9,099,090** | **46,714,868** | **768,709** | **465,785** |
| Aberdeen (South Dakota) | 670,968 | 56,338 | 588,842 | 194,342 | 389,649 | 3 | 4,648 |
| Chicago [9] (See (b) below) | 28,175,561 | 5,150,687 | 21,608,111 | 2,832,274 | 18,347,354 | 244,482 | 184,001 |
| Des Moines (Iowa) | 4,081,369 | 582,182 | 3,353,635 | 1,031,058 | 2,295,642 | 951 | 25,984 |
| Fargo (North Dakota) | 761,019 | 58,295 | 673,481 | 222,652 | 445,629 | 10 | 5,189 |
| Milwaukee (Wisconsin) | 8,777,267 | 1,582,513 | 6,783,583 | 963,500 | 5,738,667 | 1,530 | 59,785 |
| Omaha (Nebraska) | 2,976,048 | 361,767 | 2,471,802 | 539,415 | 1,790,575 | 124,270 | 17,542 |
| St. Louis (Missouri) | 11,561,460 | 1,658,504 | 9,314,948 | 1,370,414 | 7,712,877 | 158,288 | 73,369 |
| St. Paul (Minnesota) | 10,353,662 | 1,773,825 | 8,261,279 | 998,789 | 6,968,102 | 232,067 | 52,322 |
| Springfield (See (b) below) | 5,257,330 | 898,710 | 3,990,841 | 926,544 | 3,026,374 | 5,198 | 32,724 |
| **Southwest Region** | **54,945,244** | **8,144,448** | **43,499,574** | **9,223,079** | **33,694,289** | **232,488** | **349,728** |
| Albuquerque (New Mexico) | 1,240,358 | 111,786 | 1,095,110 | 257,843 | 828,216 | 74 | 8,978 |
| Austin [9] (See (f) below) | 18,176,745 | 2,982,404 | 13,905,049 | 2,580,697 | 11,074,376 | 44,673 | 105,303 |
| Cheyenne (Wyoming) | 840,585 | 64,452 | 528,556 | 181,425 | 342,914 | 1 | 4,216 |
| Dallas (See (f) below) | 11,685,743 | 2,028,931 | 8,949,911 | 2,212,681 | 6,642,192 | 13,943 | 61,094 |
| Denver (Colorado) | 6,730,541 | 511,222 | 5,911,436 | 853,395 | 4,999,834 | 23,019 | 35,188 |
| Little Rock (Arkansas) | 2,018,655 | 262,381 | 1,677,022 | 471,400 | 1,186,988 | 1,286 | 17,349 |
| New Orleans (Louisiana) | 5,486,733 | 777,406 | 4,557,053 | 1,045,002 | 3,472,761 | 1,712 | 37,577 |
| Oklahoma City (Oklahoma) | 5,029,767 | 868,943 | 3,742,180 | 831,224 | 2,877,655 | 219 | 33,061 |
| Wichita (Kansas) | 3,935,906 | 536,923 | 3,233,258 | 789,413 | 2,269,353 | 147,540 | 26,952 |
| **Western Region** | **72,785,173** | **10,243,350** | **59,121,624** | **11,554,825** | **46,890,351** | **176,783** | **499,665** |
| Anchorage (Alaska) | 796,222 | 44,035 | 737,293 | 118,234 | 614,433 | - | 4,625 |
| Boise (Idaho) | 1,312,977 | 154,326 | 1,137,424 | 212,953 | 912,377 | 847 | 11,246 |
| Helena (Montana) | 828,363 | 66,777 | 726,078 | 232,179 | 487,337 | 635 | 5,927 |
| Honolulu (Hawaii) | 1,455,226 | 199,747 | 1,221,240 | 239,031 | 972,212 | - | 9,997 |
| Los Angeles (See (a) below) | 28,142,791 | 4,438,815 | 22,415,410 | 4,368,465 | 17,848,418 | 896 | 197,628 |
| Phoenix (Arizona) | 3,261,982 | 369,716 | 2,816,686 | 618,422 | 2,171,187 | 468 | 26,609 |
| Portland [9] (Oregon) | 4,653,870 | 807,356 | 3,868,784 | 792,010 | 3,039,675 | 2,823 | 34,276 |
| Reno (Nevada) | 1,471,345 | 176,663 | 1,254,126 | 314,888 | 927,356 | 2 | 11,880 |
| Salt Lake City (Utah) | 1,607,724 | 184,988 | 1,386,711 | 250,468 | 1,121,360 | 1,801 | 13,082 |
| San Francisco [9] (See (a) below) | 21,415,322 | 2,865,834 | 17,191,014 | 3,122,017 | 13,766,002 | 168,447 | 134,548 |
| Seattle (Washington) | 7,529,350 | 935,093 | 6,366,857 | 1,266,156 | 5,029,995 | 862 | 49,846 |
| **Office of International Operations** | **2,127,801** | **160,462** | **1,726,858** | **388,348** | **1,337,452** | **4,811** | **16,047** |
| Puerto Rico | 682,166 | 15,524 | 451,108 | 24,148 | 411,725 | * | 15,237 |
| Other | 1,445,735 | 144,838 | 1,275,548 | 344,200 | 925,727 | 4,811 | 810 |
| **Undistributed:** | | | | | | | |
| Federal tax deposits [7] | 193,017 | 38,731 | 198,040 | | 265,381 | 295 | -67,635 |
| Gasoline, lubricating oil, and excess FICA credits [10] | 766,144 | 44,778 | 721,365 | 721,365 | | | |
| Transferred to Government of Guam | -14,480 | | -14,480 | | -14,480 | | |
| Withheld taxes of Federal employees | 228,958 | | 228,958 | | 228,958 | | |
| Clearing account for Excise taxes-aviation fuel and oil-Air Force and Navy | 15 | | | | | | |
| Presidential Election Fund [11] | 35,934 | | 35,934 | | 35,934 | | |
| Earned Income Credits [12] | 5,443 | | 5,443 | | 5,443 | | |
| Other [13] | -66,401 | | -81 | | -81 | | |
| **Totals for States not shown above** | | | | | | | |
| (a) California | 49,558,113 | 7,304,649 | 39,606,424 | 7,490,483 | 31,614,420 | 169,345 | 332,176 |
| (b) Illinois | 33,432,890 | 6,049,397 | 25,598,952 | 3,758,818 | 21,373,728 | 249,680 | 216,725 |
| (c) New York | 51,800,399 | 11,026,202 | 38,977,978 | 4,610,090 | 33,992,086 | 45,952 | 329,851 |
| (d) Ohio | 27,411,821 | 4,385,632 | 21,534,742 | 2,498,726 | 18,760,481 | 98,794 | 176,740 |
| (e) Pennsylvania | 24,948,805 | 3,015,290 | 20,696,812 | 2,588,117 | 17,421,810 | 421,569 | 165,317 |
| (f) Texas | 29,862,488 | 5,011,334 | 22,754,959 | 4,793,379 | 17,716,567 | 58,616 | 186,397 |

## Table 1.—Continued
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | Estate tax | Gift tax | Excise taxes total (sum of columns 11, 25, 29, 38 40 and 52) | Total (sum of columns 12, 18 and 21) | Alcohol taxes | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Distilled spirits taxes | | | | | |
| | | | | | Total | Imported (Collected by Customs) | Domestic [14] | Rectification [14] | Occupational [15] | Other [15] |
| | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) |
| **United States, total** | **5,344,176** | **174,899** | **19,049,504** | **5,647,924** | **3,945,034** | **698,667** | **3,212,731** | **18,868** | **15,706** | **62** |
| **North-Atlantic Region** | **851,891** | **32,315** | **1,880,487** | **623,634** | **411,820** | **197,036** | **211,293** | **1,177** | **2,313** | - |
| Albany (See (c) below) | 19,672 | 1,299 | 11,189 | 440 | 245 | - | 1 | - | 244 | - |
| Augusta (Maine) | 17,203 | 313 | 15,761 | 3,578 | 3,532 | - | 3,319 | 40 | 173 | - |
| Boston (Massachusetts) | 129,412 | 3,261 | 280,410 | 154,695 | 141,276 | 73,791 | 66,296 | 800 | 391 | - |
| Brooklyn (See (c) below) | 156,959 | 6,348 | 199,880 | 15,441 | 12,943 | - | 12,639 | - | 304 | - |
| Buffalo (See (c) below) | 78,038 | 1,647 | 216,587 | 144,820 | 346 | - | - | - | 346 | - |
| Burlington (Vermont) | 7,790 | 90 | 4,499 | 72 | 71 | - | - | - | 71 | - |
| Hartford [8] (Connecticut) | 108,476 | 4,256 | 302,362 | 126,588 | 126,493 | - | 125,867 | 317 | 309 | - |
| Manhattan (See (c) below) | 288,535 | 14,406 | 801,659 | 143,629 | 123,561 | 123,246 | 1 | * | 315 | - |
| Portsmouth (New Hampshire) | 14,265 | 175 | 37,991 | 28,302 | 3,267 | - | 3,170 | 20 | 76 | - |
| Providence (Rhode Island) | 31,541 | 520 | 10,159 | 6,070 | 84 | - | - | - | 84 | - |
| **Mid-Atlantic Region** | **604,734** | **17,311** | **2,883,588** | **831,912** | **654,407** | **61,339** | **586,773** | **4,381** | **1,905** | **9** |
| Baltimore [8] (Maryland & D.C.) | 136,125 | 3,581 | 500,418 | 241,023 | 223,281 | 61,339 | 159,451 | 2,164 | 327 | - |
| Newark [8] (New Jersey) | 152,638 | 2,572 | 559,219 | 287,045 | 219,787 | - | 218,197 | 1,038 | 552 | * |
| Philadelphia (See (e) below) | 141,771 | 5,398 | 547,385 | 188,179 | 135,030 | - | 133,643 | 943 | 441 | 3 |
| Pittsburgh (See (e) below) | 71,298 | 1,422 | 469,429 | 83,006 | 73,185 | - | 72,613 | 236 | 330 | 6 |
| Richmond (Virginia) | 89,475 | 3,256 | 772,460 | 32,611 | 3,076 | - | 2,869 | - | 207 | - |
| Wilmington (Delaware) | 13,427 | 1,082 | 34,657 | 48 | 47 | - | - | - | 47 | - |
| **Southeast Region** | **703,936** | **21,120** | **2,737,090** | **377,358** | **143,821** | **54,771** | **86,891** | **83** | **2,023** | **53** |
| Atlanta (Georgia) | 75,241 | 2,611 | 501,662 | 53,222 | 18,520 | - | 18,118 | 53 | 337 | 12 |
| Birmingham (Alabama) | 55,963 | 1,771 | 124,178 | 3,593 | 3,321 | 3,169 | 32 | 3 | 106 | 11 |
| Columbia (South Carolina) | 33,604 | 482 | 36,987 | 770 | 251 | - | 1 | 1 | 244 | 4 |
| Greensboro (North Carolina) | 76,579 | 1,999 | 1,429,996 | 98,335 | 309 | - | 14 | - | 295 | - |
| Jackson (Mississippi) | 26,075 | 2,190 | 24,551 | 183 | 100 | - | 8 | 2 | 82 | 9 |
| Jacksonville [8] (Florida) | 376,795 | 10,120 | 458,776 | 137,737 | 56,442 | 51,602 | 3,965 | 25 | 834 | 16 |
| Nashville [8] (Tennessee) | 59,679 | 1,947 | 160,939 | 83,516 | 64,878 | - | 64,753 | - | 125 | - |
| **Central Region** | **574,221** | **22,938** | **3,921,471** | **1,538,155** | **1,380,942** | **195,923** | **1,175,931** | **6,585** | **2,504** | - |
| Cincinnati [8] (See (d) below) | 106,466 | 1,925 | 327,972 | 235,199 | 177,470 | - | 176,166 | 867 | 437 | - |
| Cleveland (See (d) below) | 127,257 | 13,497 | 914,330 | 59,202 | 48,466 | 33,723 | 13,891 | 206 | 647 | - |
| Detroit (Michigan) | 172,332 | 2,151 | 961,572 | 370,035 | 303,911 | 162,200 | 140,103 | 802 | 807 | - |
| Indianapolis (Indiana) | 99,198 | 3,644 | 382,397 | 237,483 | 227,322 | - | 223,434 | 3,477 | 411 | - |
| Louisville (Kentucky) | 45,900 | 1,210 | 1,296,852 | 629,213 | 616,809 | - | 615,433 | 1,233 | 143 | - |
| Parkersburg (West Virginia) | 23,068 | 511 | 38,348 | 7,024 | 6,964 | - | 6,904 | - | 60 | - |
| **Midwest Region** | **859,905** | **26,129** | **2,579,306** | **754,770** | **418,028** | **55,755** | **356,858** | **2,701** | **2,714** | - |
| Aberdeen (South Dakota) | 12,803 | 280 | 12,704 | 80 | 59 | - | - | - | 59 | - |
| Chicago [8] (See (b) below) | 306,939 | 5,607 | 1,104,217 | 152,444 | 148,498 | 39,457 | 106,074 | 300 | 665 | - |
| Des Moines (Iowa) | 85,705 | 1,993 | 57,854 | 491 | 180 | - | 1 | - | 179 | - |
| Fargo (North Dakota) | 17,838 | 366 | 11,019 | 90 | 77 | 19 | - | - | 59 | - |
| Milwaukee (Wisconsin) | 75,528 | 1,529 | 334,114 | 186,593 | 7,971 | 4,144 | 3,024 | 29 | 774 | - |
| Omaha (Nebraska) | 60,201 | 1,658 | 80,619 | 2,833 | 131 | - | - | - | 131 | - |
| St. Louis (Missouri) | 111,419 | 9,581 | 487,008 | 165,154 | 70,289 | 8,514 | 60,340 | 1,061 | 375 | - |
| St. Paul (Minnesota) | 92,924 | 3,109 | 222,525 | 52,168 | 25,123 | 3,622 | 21,126 | 165 | 210 | - |
| Springfield (See (b) below) | 96,548 | 1,985 | 269,246 | 194,919 | 167,700 | - | 166,292 | 1,146 | 262 | - |
| **Southwest Region** | **731,530** | **28,115** | **2,541,478** | **349,062** | **78,868** | **47,030** | **28,833** | **791** | **2,214** | - |
| Albuquerque (New Mexico) | 16,093 | 759 | 16,609 | 1,590 | 1,588 | - | 1,392 | 138 | 58 | - |
| Austin [8] (See (f) below) | 212,215 | 11,246 | 1,165,832 | 82,449 | 34,762 | 31,250 | 2,774 | 1 | 738 | - |
| Cheyenne (Wyoming) | 10,158 | 720 | 36,709 | 41 | 35 | - | - | - | 35 | - |
| Dallas (See (f) below) | 185,595 | 7,021 | 514,285 | 104,918 | 552 | - | 120 | - | 432 | - |
| Denver (Colorado) | 53,384 | 2,911 | 251,588 | 115,151 | 179 | - | - | - | 179 | - |
| Little Rock (Arkansas) | 27,232 | 1,524 | 50,696 | 447 | 78 | - | * | - | 77 | - |
| New Orleans (Louisiana) | 78,094 | 734 | 73,447 | 38,871 | 36,111 | 15,780 | 19,395 | 652 | 285 | - |
| Oklahoma City (Oklahoma) | 74,652 | 1,823 | 342,170 | 185 | 71 | - | - | - | 71 | - |
| Wichita (Kansas) | 74,206 | 1,377 | 90,142 | 5,409 | 5,293 | - | 4,953 | * | 340 | - |
| **Western Region** | **1,003,856** | **26,756** | **2,389,584** | **911,050** | **603,856** | **84,812** | **514,149** | **1,863** | **3,032** | * |
| Anchorage (Alaska) | 2,689 | 117 | 12,088 | 133 | 45 | 9 | - | - | 35 | - |
| Boise (Idaho) | 10,148 | 199 | 10,880 | 74 | 60 | - | - | 1 | 60 | - |
| Helena (Montana) | 20,895 | 465 | 14,148 | 5,122 | 4,776 | 2,908 | 1,766 | 4 | 100 | - |
| Honolulu (Hawaii) | 17,702 | 1,271 | 15,266 | 668 | 203 | 5 | 103 | 8 | 88 | - |
| Los Angeles (See (a) below) | 366,478 | 7,950 | 914,138 | 256,905 | 170,965 | 41,809 | 127,866 | 382 | 907 | - |
| Phoenix (Arizona) | 56,252 | 857 | 18,471 | 4,674 | 2,342 | 2,095 | - | - | 247 | - |
| Portland [8] (Oregon) | 53,912 | 3,256 | 130,562 | 30,486 | 24,738 | 1,588 | 22,881 | 64 | 207 | - |
| Reno (Nevada) | 24,555 | 1,082 | 14,920 | 73 | 71 | - | - | - | 71 | * |
| Salt Lake City (Utah) | 9,754 | 544 | 25,728 | 40 | 19 | - | - | - | 19 | - |
| San Francisco [8] (See (a) below) | 369,898 | 8,046 | 980,529 | 547,467 | 384,992 | 28,126 | 354,533 | 1,379 | 955 | - |
| Seattle (Washington) | 71,573 | 2,972 | 252,854 | 65,407 | 15,641 | 8,275 | 6,998 | 26 | 341 | - |
| **Office of International Operations** | **14,003** | **212** | **226,569** | **204,642** | **204,642** | - | **203,630** | **1,009** | **2** | * |
| Puerto Rico | 1,192 | 2 | 214,241 | 204,640 | 204,640 | - | 203,630 | 1,009 | * | * |
| Other | 12,811 | 210 | 12,328 | 2 | 2 | - | - | - | 2 | - |
| **Undistributed:** | | | | | | | | | | |
| Federal tax deposits [9] | | | -43,754 | | | | | | | |
| Gasoline, lubricating oil, and excess FICA credits [10] | | | | | | | | | | |
| Transferred to Government of Guam | | | | | | | | | | |
| Withheld taxes of Federal employees | | | | | | | | | | |
| Clearing account for Excise taxes-aviation fuel and oil-Air Force and Navy | | | 15 | | | | | | | |
| Presidential Election Fund [11] | | | | | | | | | | |
| Earned Income Credits [12] | | | | | | | | | | |
| Other [13] | | | -66,321 | 57,342 | 48,851 | - | 48,573 | 277 | - | - |
| **Totals for States not shown above** | | | | | | | | | | |
| (a) California | 736,378 | 15,997 | 1,894,667 | 804,373 | 555,957 | 69,935 | 482,400 | 1,761 | 1,862 | - |
| (b) Illinois | 403,487 | 7,592 | 1,373,463 | 347,362 | 314,198 | 39,457 | 272,367 | 1,446 | 927 | - |
| (c) New York | 543,204 | 23,700 | 1,229,315 | 304,330 | 137,095 | 123,246 | 12,640 | * | 1,209 | - |
| (d) Ohio | 233,723 | 15,422 | 1,242,302 | 294,401 | 225,937 | 33,723 | 190,056 | 1,073 | 1,084 | - |
| (e) Pennsylvania | 213,069 | 6,820 | 1,016,814 | 271,186 | 208,216 | - | 206,256 | 1,179 | 771 | 9 |
| (f) Texas | 397,810 | 18,267 | 1,680,118 | 187,367 | 35,314 | 31,250 | 2,894 | 1 | 1,170 | - |



## Table 1.—Continued
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | Alcohol taxes–Continued | | | | | | |
|---|---|---|---|---|---|---|---|
| | Wines, cordials, etc., taxes | | | Beer taxes | | | |
| | Total | Imported (Collected by Customs) | Domestic [16] | Total | Imported (Collected by Customs) | Domestic [16] | Occupational taxes [15] |
| | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| **United States, total** | **198,289** | **35,333** | **162,955** | **1,504,601** | **34,305** | **1,467,837** | **2,459** |
| **North-Atlantic Region** | **34,638** | **13,155** | **21,481** | **177,178** | **20,016** | **156,844** | **318** |
| Albany (See (c) below) | 155 | - | 155 | 40 | - | - | 40 |
| Augusta (Maine) | 25 | - | 25 | 21 | - | - | 21 |
| Boston (Massachusetts) | 2,729 | 2,661 | 67 | 10,689 | 10,684 | - | 5 |
| Brooklyn (See (c) below) | 2,416 | - | 2,416 | 83 | - | - | 83 |
| Buffalo (See (c) below) | 18,517 | - | 18,517 | 125,957 | - | 125,884 | 73 |
| Burlington (Vermont) | - | - | - | 1 | - | - | 1 |
| Hartford [8] (Connecticut) | 66 | - | 66 | 29 | - | - | 29 |
| Manhattan (See (c) below) | 10,681 | 10,493 | 188 | 9,387 | 9,332 | - | 54 |
| Portsmouth (New Hampshire) | 46 | - | 46 | 24,969 | - | 24,977 | 12 |
| Providence (Rhode Island) | 2 | - | 2 | 5,984 | - | 5,983 | 1 |
| **Mid-Atlantic Region** | **7,400** | **4,033** | **3,368** | **170,106** | **1,884** | **167,954** | **287** |
| Baltimore [8] (Maryland & D.C.) | 4,046 | 4,033 | 12 | 13,696 | 1,884 | 11,787 | 25 |
| Newark [8] (New Jersey) | 854 | - | 854 | 66,404 | - | 66,380 | 24 |
| Philadelphia (See (e) below) | 838 | - | 838 | 52,311 | - | 52,235 | 75 |
| Pittsburgh (See (e) below) | 44 | - | 44 | 9,777 | - | 9,709 | 68 |
| Richmond (Virginia) | 1,618 | - | 1,618 | 27,917 | - | 27,844 | 73 |
| Wilmington (Delaware) | - | - | - | 1 | - | - | 1 |
| **Southeast Region** | **4,034** | **2,445** | **1,589** | **229,501** | **2,037** | **226,979** | **485** |
| Atlanta (Georgia) | 953 | - | 953 | 33,749 | - | 33,691 | 58 |
| Birmingham (Alabama) | 144 | 144 | - | 129 | 69 | - | 59 |
| Columbia (South Carolina) | 482 | - | 482 | 37 | - | - | 37 |
| Greensboro (North Carolina) | 5 | - | 5 | 98,020 | 1 | 97,949 | 72 |
| Jackson (Mississippi) | 1 | - | 1 | 82 | - | - | 82 |
| Jacksonville [8] (Florida) | 2,448 | 2,302 | 147 | 78,847 | 1,968 | 76,788 | 91 |
| Nashville [8] (Tennessee) | - | - | - | 18,638 | - | 18,551 | 87 |
| **Central Region** | **5,540** | **4,091** | **1,449** | **151,674** | **2,079** | **149,402** | **193** |
| Cincinnati [8] (See (d) below) | 536 | - | 536 | 57,192 | - | 57,173 | 20 |
| Cleveland (See (d) below) | 1,525 | 1,305 | 220 | 9,211 | 14 | 9,176 | 21 |
| Detroit (Michigan) | 3,461 | 2,786 | 675 | 62,663 | 2,065 | 60,585 | 13 |
| Indianapolis (Indiana) | 14 | - | 14 | 10,147 | - | 10,120 | 27 |
| Louisville (Kentucky) | 5 | - | 5 | 12,400 | - | 12,348 | 51 |
| Parkersburg (West Virginia) | - | - | - | 60 | - | - | 60 |
| **Midwest Region** | **7,624** | **4,000** | **3,624** | **329,119** | **400** | **328,305** | **414** |
| Aberdeen (South Dakota) | - | - | - | 21 | - | - | 21 |
| Chicago [8] (See (b) below) | 5,602 | 2,806 | 2,797 | 344 | 246 | 77 | 20 |
| Des Moines (Iowa) | 23 | - | 23 | 287 | - | 232 | 55 |
| Fargo (North Dakota) | 5 | 5 | - | 7 | 2 | - | 6 |
| Milwaukee (Wisconsin) | 490 | 481 | 9 | 178,133 | 63 | 177,972 | 99 |
| Omaha (Nebraska) | - | - | - | 2,701 | - | 2,682 | 20 |
| St. Louis (Missouri) | 1,258 | 473 | 786 | 93,607 | 33 | 93,488 | 86 |
| St. Paul (Minnesota) | 244 | 235 | 8 | 26,801 | 56 | 26,655 | 90 |
| Springfield (See (b) below) | 1 | - | 1 | 27,217 | - | 27,200 | 17 |
| **Southwest Region** | **2,784** | **2,427** | **357** | **267,609** | **1,693** | **265,320** | **596** |
| Albuquerque (New Mexico) | 1 | - | 1 | 2 | - | - | 2 |
| Austin [8] (See (f) below) | 1,545 | 1,544 | 2 | 46,141 | 1,319 | 44,645 | 178 |
| Cheyenne (Wyoming) | - | - | - | 7 | - | - | 7 |
| Dallas (See (f) below) | 1 | - | 1 | 104,365 | - | 104,265 | 101 |
| Denver (Colorado) | - | - | - | 114,972 | - | 114,949 | 24 |
| Little Rock (Arkansas) | 352 | - | 352 | 18 | - | - | 18 |
| New Orleans (Louisiana) | 885 | 883 | 2 | 1,875 | 374 | 1,442 | 59 |
| Oklahoma City (Oklahoma) | * | - | * | 113 | - | - | 113 |
| Wichita (Kansas) | - | - | - | 116 | - | 19 | 97 |
| **Western Region** | **136,184** | **5,182** | **131,003** | **171,011** | **6,195** | **164,629** | **185** |
| Anchorage (Alaska) | 1 | 1 | - | 68 | 3 | 65 | 1 |
| Boise (Idaho) | 2 | - | 2 | 11 | - | - | 11 |
| Helena (Montana) | 91 | 91 | 1 | 253 | 240 | - | 12 |
| Honolulu (Hawaii) | 2 | 1 | 1 | 462 | 2 | 457 | 3 |
| Los Angeles (See (a) below) | 6,067 | 2,479 | 3,588 | 79,874 | 4,074 | 75,748 | 52 |
| Phoenix (Arizona) | 6 | 6 | - | 2,326 | * | 2,315 | 11 |
| Portland [8] (Oregon) | 246 | 215 | 31 | 5,502 | 128 | 5,365 | 8 |
| Reno (Nevada) | * | - | * | 2 | - | - | 2 |
| Salt Lake City (Utah) | - | - | - | 21 | - | - | 21 |
| San Francisco [8] (See (a) below) | 129,082 | 1,943 | 127,140 | 33,392 | 1,485 | 31,856 | 52 |
| Seattle (Washington) | 686 | 447 | 239 | 49,080 | 264 | 48,804 | 13 |
| **Office of International Operations** | - | - | - | * | - | - | * |
| Puerto Rico | - | - | - | * | - | - | * |
| Other | - | - | - | - | - | - | - |
| **Undistributed:** | | | | | | | |
| Federal tax deposits [9] | | | | | | | |
| Gasoline, lubricating oil, and excess FICA credits [10] | | | | | | | |
| Transferred to Government of Guam | | | | | | | |
| Withheld taxes of Federal employees | | | | | | | |
| Clearing account for Excise taxes-aviation fuel and oil-Air Force and Navy | | | | | | | |
| Presidential Election Fund [11] | | | | | | | |
| Earned Income Credits [12] | | | | | | | |
| Other [13] | 87 | - | 87 | 8,404 | - | 8,404 | - |
| **Totals for States not shown above** | | | | | | | |
| (a) California | 135,149 | 4,422 | 130,728 | 113,266 | 5,558 | 107,604 | 104 |
| (b) Illinois | 5,604 | 2,806 | 2,798 | 27,561 | 246 | 27,277 | 37 |
| (c) New York | 31,768 | 10,493 | 21,275 | 135,466 | 9,332 | 125,884 | 250 |
| (d) Ohio | 2,060 | 1,305 | 756 | 66,404 | 14 | 66,348 | 41 |
| (e) Pennsylvania | 882 | - | 882 | 62,088 | - | 61,944 | 143 |
| (f) Texas | 1,546 | 1,544 | 2 | 150,507 | 1,319 | 148,910 | 278 |

## Table 1.—Continued
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | | Tobacco taxes: Total | Cigarettes [14] | Cigars [14] | Other [15] |
|---|---|---|---|---|---|
| | | (25) | (26) | (27) | (28) |
| **United States, total** | | **2,495,517** | **2,454,629** | **36,225** | **4,464** |
| **North-Atlantic Region** | | **2,737** | **481** | **373** | **1,903** |
| Albany | (See (c) below) | 86 | - | 83 | 6 |
| Augusta | (Maine) | * | * | - | - |
| Boston | (Massachusetts) | 382 | - | - | 382 |
| Brooklyn | (See (c) below) | 8 | 7 | 1 | * |
| Buffalo | (See (c) below) | * | - | - | * |
| Burlington | (Vermont) | * | - | * | - |
| Hartford [2] | (Connecticut) | 276 | - | 276 | - |
| Manhattan | (See (c) below) | 1,775 | 454 | 13 | 1,307 |
| Portsmouth | (New Hampshire) | 208 | - | - | 208 |
| Providence | (Rhode Island) | - | - | - | - |
| **Mid-Atlantic Region** | | **635,281** | **623,086** | **11,619** | **586** |
| Baltimore [2] | (Maryland & D.C.) | 383 | - | - | 383 |
| Newark [2] | (New Jersey) | 161 | - | 14 | 147 |
| Philadelphia | (See (e) below) | 11,598 | * | 11,598 | - |
| Pittsburgh | (See (e) below) | 2 | - | 2 | - |
| Richmond | (Virginia) | 623,136 | 623,095 | 5 | 36 |
| Wilmington | (Delaware) | 1 | 1 | - | - |
| **Southeast Region** | | **1,272,515** | **1,258,179** | **12,891** | **1,445** |
| Atlanta | (Georgia) | 109,189 | 108,237 | 952 | - |
| Birmingham | (Alabama) | 4,143 | - | 4,143 | * |
| Columbia | (South Carolina) | * | * | - | - |
| Greensboro | (North Carolina) | 1,150,632 | 1,149,302 | 901 | 429 |
| Jackson | (Mississippi) | - | - | - | - |
| Jacksonville [2] | (Florida) | 7,935 | 640 | 6,893 | 402 |
| Nashville [2] | (Tennessee) | 617 | * | 2 | 614 |
| **Central Region** | | **487,532** | **486,049** | **1,440** | **43** |
| Cincinnati [2] | (See (d) below) | - | - | - | - |
| Cleveland | (See (d) below) | 559 | - | 520 | 39 |
| Detroit | (Michigan) | 3 | * | * | 2 |
| Indianapolis | (Indiana) | 376 | - | 376 | - |
| Louisville | (Kentucky) | 466,406 | 466,041 | 364 | 3 |
| Parkersburg | (West Virginia) | 186 | 7 | 179 | - |
| **Midwest Region** | | **289** | * | **7** | **282** |
| Aberdeen | (South Dakota) | - | - | - | - |
| Chicago [2] | (See (b) below) | 283 | - | 1 | 282 |
| Des Moines | (Iowa) | - | - | - | - |
| Fargo | (North Dakota) | * | - | - | * |
| Milwaukee | (Wisconsin) | 6 | - | 5 | * |
| Omaha | (Nebraska) | - | - | - | - |
| St. Louis | (Missouri) | * | - | - | * |
| St. Paul | (Minnesota) | * | * | - | * |
| Springfield | (See (b) below) | - | - | - | - |
| **Southwest Region** | | **290** | **7** | **220** | **63** |
| Albuquerque | (New Mexico) | - | - | - | - |
| Austin [2] | (See (f) below) | 287 | 5 | 220 | 62 |
| Cheyenne | (Wyoming) | - | - | - | - |
| Dallas | (See (f) below) | 1 | 1 | * | - |
| Denver | (Colorado) | - | - | - | - |
| Little Rock | (Arkansas) | - | - | - | - |
| New Orleans | (Louisiana) | 2 | 1 | - | 1 |
| Oklahoma City | (Oklahoma) | - | - | - | - |
| Wichita | (Kansas) | - | - | - | - |
| **Western Region** | | **204** | **2** | **44** | **159** |
| Anchorage | (Alaska) | 1 | * | * | * |
| Boise | (Idaho) | - | - | - | - |
| Helena | (Montana) | 5 | - | - | 5 |
| Honolulu | (Hawaii) | 1 | 1 | - | 1 |
| Los Angeles | (See (a) below) | 175 | * | 43 | 132 |
| Phoenix | (Arizona) | 2 | * | - | 2 |
| Portland [2] | (Oregon) | * | - | - | * |
| Reno | (Nevada) | * | - | * | - |
| Salt Lake City | (Utah) | - | - | - | - |
| San Francisco [2] | (See (a) below) | 16 | * | 1 | 15 |
| Seattle | (Washington) | 5 | * | * | 5 |
| **Office of International Operations** | | **9,590** | **48** | **9,542** | - |
| Puerto Rico | | **9,590** | **48** | **9,542** | - |
| Other | | - | * | - | - |
| **Undistributed:** | | | | | |
| Federal tax deposits [3] | | | | | |
| Gasoline, lubricating oil, and excess FICA Credits [10] | | | | | |
| Transferred to Government of Guam | | | | | |
| Withheld taxes of Federal employees | | | | | |
| Cleaning account for Excise taxes-aviation fuel and oil-Air Force and Navy | | | | | |
| Presidential Election Fund [11] | | | | | |
| Earned Income Credits [12] | | | | | |
| Other [13] | | 107,079 | 106,988 | 89 | 2 |
| **Totals for States not shown above** | | | | | |
| (a) California | | 191 | * | 43 | 147 |
| (b) Illinois | | 283 | - | 1 | 282 |
| (c) New York | | 1,871 | 481 | 97 | 1,313 |
| (d) Ohio | | 559 | - | 520 | 39 |
| (e) Pennsylvania | | 11,600 | * | 11,600 | - |
| (f) Texas | | 288 | 6 | 220 | 62 |



## Table 1.–Continued
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | | Manufacturers excise taxes: Total | Gasoline | Lubricating oil, etc. | Tires (wholly or in part of rubber) inner tubes and tread rubber | Motor vehicle chassis bodies, parts and accessories | Black lung | Other [15] | Retailers excise taxes: Total | Non-Commercial aviation fuel gasoline |
|---|---|---|---|---|---|---|---|---|---|---|
| | | (29) | (30) | (31) | (32) | (33) | (34) | (35) | (36) | (37) |
| **United States, total** | | **7,057,612** | **4,525,065** | **108,647** | **878,283** | **1,189,170** | **232,056** | **124,392** | **553,291** | **10,720** |
| **North-Atlantic Region** | | **428,371** | **126,144** | **499** | **196,324** | **23,154** | **10,573** | **71,677** | **27,477** | **588** |
| Albany | (See (c) below) | 4,958 | 4,370 | 10 | 77 | 418 | 9 | 73 | 1,900 | 49 |
| Augusta | (Maine) | 8,446 | 7,516 | 1 | 765 | 137 | - | 26 | 1,969 | 38 |
| Boston | (Massachusetts) | 53,021 | 42,470 | 254 | 284 | 1,634 | 178 | 8,202 | 4,516 | 107 |
| Brooklyn | (See (c) below) | 27,122 | 12,692 | 48 | 11,777 | 2,326 | 1 | 278 | 1,636 | 67 |
| Buffalo | (See (c) below) | 54,238 | 26,627 | 105 | 22,148 | 4,093 | - | 1,266 | 6,022 | 160 |
| Burlington | (Vermont) | 3,239 | 2,523 | 31 | 48 | 31 | - | 606 | 880 | 17 |
| Hartford [2] | (Connecticut) | 199,322 | 18,500 | 28 | 110,889 | 6,728 | 9,448 | 53,731 | 3,285 | 71 |
| Manhattan | (See (c) below) | 65,796 | 2,137 | 11 | 50,048 | 6,548 | 938 | 6,113 | 3,384 | 33 |
| Portsmouth | (New Hampshire) | 7,597 | 5,852 | * | 150 | 369 | - | 1,226 | 1,539 | 24 |
| Providence | (Rhode Island) | 4,633 | 3,457 | 11 | 139 | 870 | - | 157 | 345 | 22 |
| **Mid-Atlantic Region** | | **921,838** | **575,291** | **22,034** | **103,804** | **132,029** | **90,240** | **8,729** | **64,575** | **771** |
| Baltimore [2] | (Maryland & D.C.) | 97,503 | 38,110 | 425 | 56,704 | 994 | 1,169 | 101 | 4,970 | 74 |
| Newark [2] | (New Jersey) | 89,076 | 55,563 | 4,363 | 10,367 | 13,868 | 589 | 4,327 | 12,731 | 247 |
| Philadelphia | (See (e) below) | 323,453 | 168,279 | 6,574 | 28,742 | 104,178 | 13,500 | 2,179 | 13,120 | 135 |
| Pittsburgh | (See (e) below) | 373,223 | 292,362 | 10,657 | 6,846 | 11,099 | 52,062 | 196 | 23,689 | 159 |
| Richmond | (Virginia) | 36,858 | 19,406 | 15 | 927 | 1,802 | 12,827 | 1,681 | 8,449 | 141 |
| Wilmington | (Delaware) | 1,723 | 1,480 | * | 17 | 88 | 93 | 45 | 1,616 | 15 |
| **Southeast Region** | | **237,636** | **155,205** | **1,331** | **18,259** | **48,748** | **14,280** | **4,813** | **66,518** | **1,636** |
| Atlanta | (Georgia) | 40,336 | 26,093 | 154 | 1,093 | 12,844 | 366 | -15 | 10,916 | 271 |
| Birmingham | (Alabama) | 37,861 | 16,246 | 2 | 1,995 | 12,934 | 6,445 | 239 | 7,517 | 166 |
| Columbia | (South Carolina) | 22,985 | 21,478 | 42 | 262 | 696 | 19 | 489 | 4,961 | 129 |
| Greensboro | (North Caroline) | 55,937 | 45,795 | 82 | 2,550 | 7,185 | 160 | 165 | 12,144 | 321 |
| Jackson | (Mississippi) | 16,289 | 8,438 | 72 | 6,231 | 1,129 | - | 419 | 4,681 | 154 |
| Jacksonville [2] | (Florida) | 23,375 | 13,910 | 595 | 830 | 4,452 | 296 | 3,293 | 12,671 | 610 |
| Nashville [2] | (Tennessee) | 40,853 | 23,247 | 384 | 2,298 | 7,707 | 6,995 | 224 | 13,627 | -14 |
| **Central Region** | | **1,558,889** | **477,092** | **3,800** | **512,010** | **492,395** | **70,451** | **2,942** | **74,857** | **673** |
| Cincinnati [2] | (See (d) below) | 36,534 | 22,596 | 69 | 4,676 | 2,891 | 6,262 | 39 | 5,410 | 139 |
| Cleveland | (See (d) below) | 820,722 | 222,189 | 2,809 | 502,154 | 75,406 | 17,823 | 340 | 25,553 | 111 |
| Detroit | (Michigan) | 475,962 | 95,343 | -4,059 | 2,057 | 380,233 | 543 | 1,846 | 12,418 | 253 |
| Indianapolis | (Indiana) | 74,523 | 42,831 | 51 | 2,410 | 26,100 | 2,454 | 668 | 14,615 | 221 |
| Louisville | (Kentucky) | 129,130 | 90,311 | 4,885 | 451 | 5,027 | 28,425 | 31 | 14,644 | 85 |
| Parkersburg | (West Virginia) | 21,818 | 3,822 | 44 | 262 | 2,738 | 14,934 | 18 | 2,217 | 65 |
| **Midwest Region** | | **959,595** | **827,585** | **10,890** | **14,679** | **254,271** | **33,785** | **16,405** | **92,284** | **1,344** |
| Aberdeen | (South Dakota) | 8,308 | 6,502 | 15 | 7 | 1,572 | 199 | 13 | 2,413 | 67 |
| Chicago [2] | (See (b) | 577,051 | 344,159 | 6,944 | 6,288 | 205,828 | 7,428 | 6,404 | 30,300 | 226 |
| Des Moines | (Iowa) | 39,243 | 26,310 | 204 | 4,814 | 6,730 | 450 | 734 | 9,195 | 165 |
| Fargo | (North Dakota) | 6,299 | 5,475 | 41 | 181 | 538 | - | 66 | 2,139 | 61 |
| Milwaukee | (Wisconsin) | 93,597 | 70,715 | 266 | 617 | 20,397 | 47 | 1,555 | 10,565 | 198 |
| Omaha | (Nebraska) | 15,567 | 8,990 | 322 | 15 | 2,321 | 3,624 | 294 | 5,230 | 140 |
| St. Louis | (Missouri) | 102,244 | 69,638 | 1,550 | 2,596 | 6,329 | 21,658 | 473 | 14,988 | 193 |
| St. Paul | (Minnesota) | 75,010 | 59,401 | 1,489 | 108 | 6,902 | 45 | 7,065 | 9,383 | 149 |
| Springfield | (See (b) below) | 42,277 | 36,376 | 59 | 53 | 5,653 | 333 | -197 | 8,061 | 125 |
| **Southwest Region** | | **2,006,593** | **1,894,887** | **55,307** | **2,455** | **40,739** | **11,911** | **4,295** | **129,693** | **2,510** |
| Albuquerque | (New Mexico) | 9,549 | 8,556 | -1 | 48 | 91 | 948 | 8 | 4,212 | 141 |
| Austin [2] | (See (f) below) | 1,102,958 | 1,058,623 | 36,123 | 101 | 5,615 | 2,368 | 128 | 42,484 | 591 |
| Cheyenne | (Wyoming) | 32,019 | 30,818 | 7 | 11 | 129 | 1,015 | 40 | 4,275 | 73 |
| Dallas | (See (f) below) | 346,172 | 319,568 | 9,678 | 1,223 | 14,529 | 136 | 1,038 | 31,895 | 410 |
| Denver | (Colorado) | 53,212 | 43,127 | 28 | 394 | 5,357 | 3,671 | 634 | 5,047 | 211 |
| Little Rock | (Arkansas) | 37,845 | 33,197 | 38 | 134 | 2,647 | 137 | 1,695 | 6,994 | 235 |
| New Orleans | (Louisiana) | 12,916 | 9,462 | 400 | 32 | 2,572 | 98 | 333 | 8,573 | 291 |
| Oklahoma City | (Oklahoma) | 349,263 | 329,199 | 8,499 | 376 | 7,447 | 3,446 | 296 | 15,898 | 362 |
| Wichita | (Kansas) | 65,660 | 62,318 | 539 | 136 | 2,352 | 191 | 124 | 10,314 | 196 |
| **Western Region** | | **941,890** | **968,971** | **14,785** | **33,952** | **197,834** | **10,817** | **15,521** | **97,800** | **2,997** |
| Anchorage | (Alaska) | 156 | 16 | * | 6 | 2 | 130 | 1 | 991 | 360 |
| Boise | (Idaho) | 4,835 | 2,994 | 1 | 148 | 131 | - | 1,562 | 3,417 | 115 |
| Helena | (Montana) | 3,704 | 1,355 | * | 82 | 492 | 1,713 | 82 | 3,229 | 111 |
| Honolulu | (Hawaii) | 1,890 | 1,383 | 8 | 335 | 89 | - | 76 | 384 | 35 |
| Los Angeles | (See (a) below) | 474,993 | 404,031 | 7,434 | 30,447 | 25,811 | 393 | 6,877 | 25,915 | 659 |
| Phoenix | (Arizona) | -3,804 | 2,453 | 1 | 172 | -6,542 | 54 | 59 | 5,704 | 285 |
| Portland [2] | (Oregon) | 67,602 | 1,596 | 153 | 418 | 62,176 | 2,917 | 343 | 7,343 | 212 |
| Reno | (Nevada) | 2,420 | 2,279 | 2 | 26 | 54 | - | 60 | 3,095 | 130 |
| Salt Lake City | (Utah) | 13,958 | 6,083 | 20 | 81 | 572 | 3,014 | 4,189 | 10,241 | 123 |
| San Francisco [2] | (See (a) below) | 249,711 | 231,595 | 7,133 | 1,960 | 8,140 | 1,433 | 1,450 | 31,509 | 727 |
| Seattle | (Washington) | 126,426 | 15,187 | 32 | 298 | 108,911 | 1,163 | 834 | 5,970 | 239 |
| **Office of International Operations** | | **1** | **1** | - | - | - | - | - | **87** | - |
| Puerto Rico | | 1 | 1 | - | - | - | - | - | 1 | - |
| Other | | | | | | | | | 87 | |
| **Undistributed:** | | | | | | | | | | |
| Federal tax deposits [3] | | | | | | | | | | |
| Gasoline, lubricating oil, and excess FICA credits [10] | | | | | | | | | | |
| Transferred to Government of Guam | | | | | | | | | | |
| Withheld taxes of Federal employees | | | | | | | | | | |
| Cleaning account for Excise taxes—aviation fuel and oil—Air Force and Navy | | | | | | | | | | |
| Presidential Election Fund [11] | | | | | | | | | | |
| Earned Income Credits [12] | | | | | | | | | | |
| Other [13] | | | | | | | | | | |
| **Totals for States not shown above** | | | | | | | | | | |
| (a) California | | 724,704 | 635,625 | 14,568 | 32,407 | 31,951 | 1,826 | 8,327 | 57,424 | 1,386 |
| (b) Illinois | | 619,328 | 380,535 | 7,003 | 6,341 | 211,481 | 7,761 | 6,207 | 38,362 | 351 |
| (c) New York | | 152,113 | 45,827 | 174 | 84,049 | 13,386 | 947 | 7,730 | 14,942 | 308 |
| (d) Ohio | | 857,256 | 244,786 | 2,879 | 506,830 | 78,297 | 24,085 | 379 | 30,963 | 250 |
| (e) Pennsylvania | | 696,676 | 450,642 | 17,232 | 35,588 | 115,277 | 65,561 | 2,376 | 36,809 | 295 |
| (f) Texas | | 1,449,130 | 1,378,191 | 45,800 | 1,325 | 20,144 | 2,504 | 1,166 | 74,379 | 1,001 |

**Table 1.—Continued**
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | | Retailers excise taxes-Cont. | | Miscellaneous excise taxes | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Non-Commercial aviation fuel other than gasoline | Diesel and special motor fuels | Total | Telephone and teletype-writer services | Transportation of persons by air | Use of International air travel facilities | Transportation of property by air |
| | | (38) | (39) | (40) | (41) | (42) | (43) | (44) |
| **United States, total** | | **35,920** | **506,651** | **3,223,033** | **1,362,193** | **1,272,003** | **74,644** | **79,009** |
| **North-Atlantic Region** | | **2,812** | **24,078** | **481,706** | **200,247** | **187,635** | **15,339** | **9,338** |
| Albany | (See (c) below) | 71 | 1,780 | 4,441 | 2,268 | 241 | 193 | 12 |
| Augusta | (Maine) | 114 | 1,817 | 2,209 | 335 | 260 | 11 | 4 |
| Boston | (Massachusetts) | 172 | 4,237 | 68,294 | 59,496 | 1,232 | 1 | 59 |
| Brooklyn | (See (c) below) | 97 | 1,472 | 197,226 | 213 | 181,670 | 3,394 | 8,620 |
| Buffalo | (See (c) below) | 1,265 | 6,597 | 11,473 | 5,573 | 543 | - | 61 |
| Burlington | (Vermont) | 24 | 840 | 1,100 | 181 | 296 | - | 39 |
| Hartford [1] | (Connecticut) | 419 | 2,796 | 32,404 | 27,561 | 484 | 11 | 178 |
| Manhattan | (See (c) below) | 674 | 2,677 | 160,533 | 104,465 | 2,631 | 11,729 | 35 |
| Portsmouth | (New Hampshire) | 57 | 1,458 | 3,116 | 156 | 45 | - | 273 |
| Providence | (Rhode Island) | -81 | 404 | 911 | - | 33 | - | 55 |
| **Mid-Atlantic Region** | | **5,000** | **58,804** | **296,573** | **195,927** | **38,088** | **7,095** | **1,608** |
| Baltimore [2] | (Maryland & D.C.) | 126 | 4,770 | 73,294 | 28,665 | 32,925 | 674 | 1,051 |
| Newark [2] | (New Jersey) | 2,148 | 10,337 | 89,962 | 68,781 | 2,024 | 6,410 | 65 |
| Philadelphia | (See (e) below) | 191 | 12,794 | 77,958 | 61,557 | 598 | 3 | 445 |
| Pittsburgh | (See (e) below) | 1,228 | 22,301 | 15,162 | 6,239 | 284 | 1 | 34 |
| Richmond | (Virginia) | 380 | 7,928 | 37,188 | 30,684 | 187 | 7 | 12 |
| Wilmington | (Delaware) | 927 | 674 | 3,009 | 1 | 48 | - | 1 |
| **Southeast Region** | | **3,832** | **60,949** | **685,158** | **212,109** | **358,097** | **14,510** | **18,170** |
| Atlanta | (Georgia) | 805 | 9,840 | 289,437 | 101,108 | 176,924 | 2,158 | 337 |
| Birmingham | (Alabama) | 365 | 6,986 | 70,319 | 64,472 | 44 | 20 | 5 |
| Columbia | (South Carolina) | 297 | 4,536 | 5,170 | 1,787 | 174 | - | 40 |
| Greensboro | (North Carolina) | 614 | 11,209 | 43,730 | 17,218 | 14,985 | 46 | 658 |
| Jackson | (Mississippi) | 216 | 4,312 | 3,057 | 391 | 40 | - | 54 |
| Jacksonville [2] | (Florida) | 1,085 | 10,977 | 235,231 | 22,175 | 180,238 | 11,327 | 6,118 |
| Nashville [2] | (Tennessee) | 551 | 13,090 | 38,214 | 4,957 | 15,692 | 958 | 8,957 |
| **Central Region** | | **3,285** | **70,689** | **218,287** | **157,379** | **2,194** | **-30** | **6,555** |
| Cincinnati [2] | (See (d) below) | 398 | 4,874 | 25,101 | 16,747 | 1,058 | - | 167 |
| Cleveland | (See (d) below) | 1,091 | 24,351 | 63,928 | 49,913 | 266 | -70 | 848 |
| Detroit | (Michigan) | 652 | 11,513 | 70,179 | 49,210 | 360 | 9 | 5,394 |
| Indianapolis | (Indiana) | 684 | 13,710 | 40,207 | 28,910 | 211 | 30 | 104 |
| Louisville | (Kentucky) | 269 | 14,291 | 9,486 | 5,362 | 160 | 1 | 35 |
| Parkersburg | (West Virginia) | 191 | 1,961 | 9,386 | 7,236 | 80 | * | 7 |
| **Midwest Region** | | **4,347** | **86,583** | **793,355** | **299,253** | **384,060** | **16,809** | **21,452** |
| Aberdeen | (South Dakota) | 66 | 2,279 | 1,697 | 616 | 11 | - | - |
| Chicago [2] | (See (b) below) | 980 | 29,194 | 374,571 | 63,629 | 260,736 | 11,989 | 10,515 |
| Des Moines | (Iowa) | 219 | 8,811 | 8,926 | 3,393 | 114 | - | 418 |
| Fargo | (North Dakota) | 59 | 1,999 | 2,116 | 717 | 31 | * | 10 |
| Milwaukee | (Wisconsin) | 668 | 9,679 | 34,827 | 24,497 | 1,221 | 50 | 247 |
| Omaha | (Nebraska) | 371 | 4,719 | 62,200 | 58,783 | 108 | * | 22 |
| St. Louis | (Missouri) | 1,155 | 13,650 | 219,458 | 136,279 | 64,009 | 2,244 | 7347 |
| St. Paul | (Minnesota) | 746 | 8,488 | 77,394 | 2,532 | 57,399 | 2,521 | 2,865 |
| Springfield | (See (b) below) | 163 | 7,773 | 12,168 | 7,807 | 430 | 5 | 28 |
| **Southwest Region** | | **11,060** | **116,122** | **278,414** | **86,503** | **123,595** | **3,884** | **4,829** |
| Albuquerque | (New Mexico) | 184 | 3,687 | 1,626 | 144 | 223 | - | 122 |
| Austin [2] | (See (f) below) | 4,883 | 37,010 | 66,384 | 1,456 | 46,147 | 1,631 | 1,518 |
| Cheyenne | (Wyoming) | 99 | 4,103 | 1,329 | 148 | 69 | - | 4 |
| Dallas | (See (f) below) | 1,358 | 30,127 | 81,807 | 14,811 | 48,756 | 1,839 | 1,923 |
| Denver | (Colorado) | 747 | 4,090 | 90,314 | 59,570 | 24,513 | 219 | 955 |
| Little Rock | (Arkansas) | 205 | 6,553 | 5,627 | 1,789 | 228 | 5 | 22 |
| New Orleans | (Louisiana) | 1,568 | 6,693 | 10,566 | 2,268 | 3,121 | 187 | 45 |
| Oklahoma City | (Oklahoma) | 1,496 | 14,041 | 9,506 | 1,269 | 219 | - | 170 |
| Wichita | (Kansas) | 501 | 9,617 | 11,253 | 5,049 | 318 | 3 | 70 |
| **Western Region** | | **5,484** | **89,318** | **455,793** | **219,219** | **143,408** | **13,776** | **19,058** |
| Anchorage | (Alaska) | 217 | 415 | 10,842 | 2,782 | 4,169 | 153 | 2,761 |
| Boise | (Idaho) | 312 | 2,990 | 2,302 | 165 | 123 | - | 2 |
| Helena | (Montana) | 129 | 2,989 | 2,426 | 810 | 68 | - | * |
| Honolulu | (Hawaii) | 33 | 316 | 11,450 | 4,104 | 5,266 | 100 | 831 |
| Los Angeles | (See (a) below) | 1,946 | 23,309 | 187,075 | 36,008 | 114,268 | 7,387 | 9,287 |
| Phoenix | (Arizona) | 355 | 5,064 | 5,548 | 81 | 911 | 486 | 1,291 |
| Portland [2] | (Oregon) | 530 | 6,601 | 8,969 | 1,470 | 493 | * | 549 |
| Reno | (Nevada) | 362 | 2,604 | 9,576 | 142 | 734 | * | 34 |
| Salt Lake City | (Utah) | 162 | 9,955 | 2,227 | 143 | 139 | * | 10 |
| San Francisco [2] | (See (a) below) | 885 | 29,897 | 166,299 | 130,242 | 11,804 | 4,371 | 3,939 |
| Seattle | (Washington) | 553 | 5,178 | 49,078 | 34,273 | 5,412 | 1,279 | 354 |
| **Office of International Operations** | | - | **87** | **13,749** | **1,556** | **7,208** | **3,262** | - |
| Puerto Rico | | - | 1 | 2 | - | * | 5 | - |
| Other | | - | 87 | 13,746 | 1,556 | 7,208 | 3,257 | - |
| **Undistributed:** | | | | | | | | |
| Federal tax deposits [3] | | | | | | | | |
| Gasoline, lubricating oil, and excess FICA credits [10] | | | | | | | | |
| Transferred to Government of Guam | | | | | | | | |
| Withheld taxes of Federal employees | | | | | | | | |
| Clearing account for Excise taxes—aviation fuel and oil—Air Force and Navy | | | | | | | | |
| Presidential Election Fund [11] | | | | | | | | |
| Earned Income Credits [12] | | | | | | | | |
| Other [13] | | | | | | | | |
| **Totals for States not shown above** | | | | | | | | |
| (a) California | | 2,831 | 53,206 | 353,374 | 166,250 | 126,093 | 11,757 | 13,226 |
| (b) Illinois | | 1,043 | 36,967 | 386,739 | 71,435 | 261,166 | 11,994 | 10,543 |
| (c) New York | | 2,107 | 12,526 | 373,673 | 112,518 | 185,086 | 15,316 | 8,729 |
| (d) Ohio | | 1,489 | 29,224 | 89,030 | 66,660 | 1,324 | -70 | 1,016 |
| (e) Pennsylvania | | 1,419 | 35,095 | 93,120 | 67,796 | 881 | 4 | 479 |
| (f) Texas | | 6,241 | 67,137 | 148,191 | 16,267 | 94,903 | 3,470 | 3,441 |



**Table 1.—Continued**
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas [1] (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | | Miscellaneous excise taxes—continued | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Coin-operated gaming devices | Wagering taxes: Occupational | Wagering taxes: Wagers | Use tax on highway motor vehicles | Use tax on civil aircraft | Private foundations net investment income | Other [15] | Unclassified excise tax |
| | | (45) | (46) | (47) | (48) | (49) | (50) | (51) | (52) |
| **United States, total** | | **4,867** | **908** | **9,124** | **251,783** | **27,741** | **65,217** | **75,534** | **72,126** |
| **North-Atlantic Region** | | **150** | **9** | **151** | **21,500** | **2,680** | **19,795** | **25,084** | **316,572** |
| Albany | (See (c) below) | 1 | 3 | 10 | 1,325 | 66 | 202 | 120 | -638 |
| Augusta | (Maine) | 111 | - | - | 1,295 | 68 | 73 | 50 | -441 |
| Boston | (Massachusetts) | 14 | 2 | 137 | 3,816 | 210 | 1,473 | 1,854 | -498 |
| Brooklyn | (See (c) below) | * | * | * | 2,304 | 83 | 264 | 678 | -41,552 |
| Buffalo | (See (c) below) | - | * | -8 | 3,631 | 186 | 1,226 | 260 | -1967 |
| Burlington | (Vermont) | - | - | - | 484 | 24 | 82 | 15 | -791 |
| Hartford [1] | (Connecticut) | 12 | - | 9 | 2,491 | 182 | 860 | 636 | -59,514 |
| Manhattan | (See (c) below) | 5 | 1 | 1 | 4,928 | 1,811 | 15,335 | 19,591 | 426,543 |
| Portsmouth | (New Hampshire) | 6 | 1 | * | 745 | 51 | 157 | 1,881 | -2,770 |
| Providence | (Rhode Island) | - | 1 | * | 481 | 19 | 143 | 179 | -1,801 |
| **Mid-Atlantic Region** | | **561** | **15** | **44** | **32,042** | **1,269** | **10,083** | **11,762** | **133,892** |
| Baltimore [2] | (Maryland & D.C.) | 427 | 1 | -12 | 4,039 | 415 | 1,315 | 3,794 | 83,646 |
| Newark [2] | (New Jersey) | 56 | 3 | 3 | 6,798 | 253 | 1,843 | 3,728 | 80,243 |
| Philadelphia | (See (e) below) | 1 | 1 | 9 | 9,129 | 240 | 3,114 | 2,862 | -66,923 |
| Pittsburgh | (See (e) below) | 46 | 6 | 15 | 5,382 | 223 | 2,339 | 593 | -25,653 |
| Richmond | (Virginia) | 31 | 3 | 26 | 5,187 | 166 | 428 | 454 | 34,218 |
| Wilmington | (Delaware) | - | 1 | 2 | 1,506 | 73 | 1,045 | 330 | 28,261 |
| **Southeast Region** | | **1,380** | **137** | **651** | **38,299** | **5,112** | **4,073** | **4,014** | **97,805** |
| Atlanta | (Georgia) | 4 | 4 | 50 | 5,143 | 1,431 | 738 | 1,538 | -1,438 |
| Birmingham | (Alabama) | 1 | 6 | 32 | 4,995 | 175 | 92 | 477 | 744 |
| Columbia | (South Carolina) | 107 | 11 | 22 | 2,278 | 104 | 157 | 490 | 3,101 |
| Greensboro | (North Carolina) | 19 | 27 | 73 | 8,427 | 396 | 1,442 | 439 | 69,219 |
| Jackson | (Mississippi) | 136 | 22 | 67 | 2,126 | 109 | 40 | 70 | 341 |
| Jacksonville [2] | (Florida) | 53 | 12 | 215 | 10,554 | 2,493 | 1,040 | 1,007 | 41,827 |
| Nashville [2] | (Tennessee) | 1,066 | 56 | 192 | 4,777 | 403 | 564 | 591 | -15,887 |
| **Central Region** | | **310** | **130** | **379** | **39,562** | **1,759** | **7,133** | **2,976** | **63,950** |
| Cincinnati [2] | (See (d) below) | 16 | 10 | 26 | 5,273 | 262 | 943 | 599 | 25,728 |
| Cleveland | (See (d) below) | 120 | 17 | 72 | 9,993 | 350 | 1,275 | 1,154 | -55,634 |
| Detroit | (Michigan) | 5 | 6 | 72 | 10,999 | 682 | 2,657 | 585 | 32,976 |
| Indianapolis | (Indiana) | 47 | 52 | 102 | 8,603 | 273 | 1,719 | 156 | 15,192 |
| Louisville | (Kentucky) | 13 | 15 | 40 | 3,060 | 129 | 224 | 448 | 47,970 |
| Parkersburg | (West Virginia) | 109 | 30 | 68 | 1,644 | 63 | 116 | 34 | -2,283 |
| **Midwest Region** | | **211** | **55** | **278** | **43,065** | **7,366** | **9,180** | **11,749** | **-20,988** |
| Aberdeen | (South Dakota) | 45 | 1 | 3 | 932 | 60 | 15 | 14 | 206 |
| Chicago [2] | (See (b) below) | 52 | 6 | 65 | 11,918 | 3,860 | 4,015 | 7,787 | -30,432 |
| Des Moines | (Iowa) | 8 | 3 | 9 | 4,448 | 180 | 287 | 67 | -1 |
| Fargo | (North Dakota) | 1 | - | - | 1,188 | 52 | 25 | 91 | 376 |
| Milwaukee | (Wisconsin) | 1 | 1 | 8 | 6,074 | 192 | 1,321 | 1,214 | 8,527 |
| Omaha | (Nebraska) | 20 | 31 | 78 | 2,710 | 227 | 133 | 67 | -5,210 |
| St. Louis | (Missouri) | 36 | 2 | 10 | 5,777 | 1,165 | 1,548 | 1,042 | -14,846 |
| St. Paul | (Minnesota) | 7 | 10 | 102 | 7,671 | 1,537 | 1,561 | 1,187 | 8,571 |
| Springfield | (See (b) below) | 40 | 1 | 1 | 3,246 | 94 | 257 | 260 | 11,821 |
| **Southwest Region** | | **205** | **90** | **612** | **37,885** | **4,241** | **8,252** | **7,639** | **-225,573** |
| Albuquerque | (New Mexico) | 12 | 1 | * | 926 | 109 | 24 | 65 | -368 |
| Austin [2] | (See (f) below) | 16 | 12 | 157 | 8,138 | 801 | 3,136 | 3,370 | -128,730 |
| Cheyenne | (Wyoming) | 21 | 1 | 7 | 882 | 85 | 103 | 10 | -956 |
| Dallas | (See (f) below) | 17 | 14 | 35 | 9,010 | 1,823 | 2,433 | 1,148 | -50,507 |
| Denver | (Colorado) | 31 | - | 100 | 3,321 | 462 | 791 | 351 | -12,136 |
| Little Rock | (Arkansas) | 3 | 16 | 66 | 3,079 | 147 | 119 | 152 | -217 |
| New Orleans | (Louisiana) | 14 | 17 | 101 | 3,012 | 288 | 370 | 1,145 | 2,520 |
| Oklahoma City | (Oklahoma) | 87 | 31 | 144 | 4,250 | 332 | 2,032 | 974 | -32,684 |
| Wichita | (Kansas) | 4 | - | 1 | 5,047 | 195 | 242 | 323 | -2,493 |
| **Western Region** | | **2,044** | **471** | **7,011** | **37,852** | **5,173** | **6,651** | **11,129** | **-17,153** |
| Anchorage | (Alaska) | 1 | 11 | 5 | 449 | 394 | 6 | 109 | -35 |
| Boise | (Idaho) | 4 | 2 | 4 | 1,730 | 115 | 36 | 123 | 252 |
| Helena | (Montana) | 150 | 18 | 6 | 1,209 | 102 | 28 | 35 | -338 |
| Honolulu | (Hawaii) | 87 | 6 | 4 | 543 | 111 | 207 | 193 | 872 |
| Los Angeles | (See (a) below) | 21 | * | 4 | 9,306 | 2,222 | 2,612 | 5,941 | -30,925 |
| Phoenix | (Arizona) | 34 | 1 | * | 2,104 | 337 | 86 | 216 | 6,346 |
| Portland [2] | (Oregon) | 344 | 3 | 3 | 5,352 | 337 | 281 | 138 | 16,161 |
| Reno | (Nevada) | 1,135 | 102 | 6,411 | 591 | 142 | 243 | 41 | -245 |
| Salt Lake City | (Utah) | 74 | 20 | 3 | 1,625 | 101 | 62 | 52 | -738 |
| San Francisco [2] | (See (a) below) | 17 | 4 | 62 | 10,522 | 971 | 1,434 | 2,934 | -14,473 |
| Seattle | (Washington) | 179 | 304 | 510 | 4,422 | 343 | 655 | 1,348 | 5,969 |
| **Office of International Operations** | | - | - | - | **908** | **41** | **70** | **702** | **-2,099** |
| Puerto Rico | | - | - | - | 3 | * | 2 | -8 | 9 |
| Other | | - | - | - | 906 | 41 | 68 | 710 | -2,108 |
| **Undistributed:** | | | | | | | | | |
| Federal tax deposits [3] | | | | | | | | | -43,754 |
| Gasoline, lubricating oil, and excess FICA credits [10] | | | | | | | | | |
| Transferred to Government of Guam | | | | | | | | | |
| Withheld taxes of Federal employees | | | | | | | | | |
| Clearing account for Excise taxes—aviation fuel and oil—Air Force and Navy | | | | | | | | | |
| Presidential Election Fund [11] | | | | | | | | | 15 |
| Earned Income Credits [12] | | | | | | | | | |
| Other [13] | | - | - | - | - | - | - | - | -230,742 |
| **Totals for States not shown above** | | | | | | | | | |
| (a) California | | 37 | 4 | 66 | 19,827 | 3,193 | 4,046 | 8,875 | -45,398 |
| (b) Illinois | | 92 | 7 | 66 | 15,164 | 3,953 | 4,271 | 8,047 | -18,611 |
| (c) New York | | 7 | 5 | 3 | 12,187 | 2,146 | 17,027 | 20,649 | 382,386 |
| (d) Ohio | | 136 | 27 | 99 | 15,256 | 612 | 2,218 | 1,753 | -29,906 |
| (e) Pennsylvania | | 47 | 8 | 23 | 14,511 | 463 | 5,453 | 3,455 | 92,577 |
| (f) Texas | | 33 | 26 | 192 | 17,148 | 2,624 | 5,570 | 4,519 | -179,237 |

**Table 2.—Internal revenue collections by source**
(in thousands of dollars)

| Sources of revenue | 1978 | 1979 |
|---|---|---|
| **Grand total, all sources** | **399,776,389** | **460,412,185** |
| **Corporation income taxes, total** [16] | **65,380,145** | **71,447,876** |
| Regular | 65,344,150 | 71,408,891 |
| Exempt organization business income tax | 35,996 | 38,985 |
| **Individual income and employment taxes, total** | **310,349,797** | **364,395,731** |
| Income tax not withheld and SECA [2,4,6,17] | 52,071,370 | 61,248,369 |
| Income tax withheld and FICA [2,4,6,18] | 253,617,181 | 297,823,479 |
| Railroad retirement, total [19] | 2,019,231 | 2,365,893 |
| Unemployment insurance [20] | 2,642,014 | 2,958,000 |
| **Estate tax** [21] | **5,242,080** | **5,344,178** |
| **Gift tax** [21] | **139,419** | **174,899** |
| **Excise taxes, total** | **18,884,949** | **19,049,504** |
| **Alcohol taxes, total** | **5,812,715** | **5,847,924** |
| Distilled spirits taxes, total | 3,999,566 | 3,945,034 |
| Imported (collected by Customs, rates same as domestic) | 702,336 | 696,687 |
| Domestic, $10.50 per proof gallon or wine gallon when below proof [14] | 3,259,100 | 3,212,731 |
| Rectification, 30 cents per proof gallon [14] | 21,467 | 18,868 |
| Occupational taxes: | | |
| Nonbeverage manufacturers of spirits, $25, $50, $100, per year | 106 | 141 |
| Rectifiers: | | |
| Less than 20,000 proof gallons, $110 per year | 5 | 4 |
| 20,000 proof gallons or more, $220 per year | 21 | 90 |
| Retail dealer (distilled spirits, wines, and beer), $54 per year | 15,355 | 15,244 |
| Wholesale dealer (distilled spirits, wines, and beer), $255 per year | 1,071 | 1,224 |
| Manufacturers of stills, $55 per year | 4 | 3 |
| Stills or condensers manufactured, $22 each | 1 | 1 |
| Securas, penalties, etc. | 99 | 62 |
| **Wines, cordials, etc., taxes, total** | **189,535** | **198,289** |
| Imported (collected by Customs, rates same as domestic) | 33,676 | 35,333 |
| Domestic (Still-wines, 17 cents, 67 cents, $2.25 per wine gallon; sparkling wines, $3.40; artificially carbonated wines, $2.40; liqueurs, cordials, $1.92) [14] | 155,818 | 162,955 |
| Occupational taxes: | | |
| Retail dealers in wines or in wines and beer, $54 per year | 40 | * |
| Wholesale dealers in wines or in wines and beer, $225 per year | (*) | * |
| **Beer taxes, total** | **1,423,614** | **1,504,601** |
| Imported (collected by Customs, rates same as domestic) | 26,603 | 34,305 |
| Domestic, $9 per barrel of 31 gallons [14] | 1,394,137 | 1,467,837 |
| Occupational taxes: | | |
| Brewers: | | |
| Less than 500 barrels, $55 per year | 1 | 1 |
| 500 barrels or more, $110 per year | 13 | 10 |
| Retail dealers in beer, $24 per year (includes limited retail dealer in distilled spirits, wine and beer, $2.20 and $4.50 per month) | 2,237 | 1,907 |
| Wholesale dealers in beer, $123 per year | 624 | 541 |
| **Tobacco taxes, total** | **2,450,913** | **2,495,517** |
| **Cigarettes, total** [14] | **2,408,425** | **2,454,829** |
| Small (Class A), $4 per thousand | 2,408,415 | 2,454,811 |
| Large (Class B), $8.40 per thousand, except if over 6 1/2 inches long $4 per thousand for each 2 3/4 inches or fraction thereof | 10 | 17 |
| Prepayments | * | * |
| **Cigars, total** [14] | **38,050** | **36,225** |
| **Large cigars, total** | **36,794** | **35,090** |
| Wholesale price not more than $235.294 per thousand, 8 1/2 percent | 33,676 | 31,609 |
| Wholesale price more than $235.294 per thousand, $20 per thousand | 3,118 | 3,480 |
| Small cigars, 75 cents per thousand | 1,225 | 1,112 |
| Prepayments | 30 | 23 |
| Imported cigars, cigarettes, cigarette papers and cigarette tubes (collected by Customs, rates same as domestic) | 3,147 | 3,006 |
| Miscellaneous tobacco | * | * |
| Cigarette papers and tubes, paper one-half cent per 50, tubes 1 cent per 50 | 1,291 | 1,457 |



**Table 2.—Continued**
(in thousands of dollars)

| Sources of revenue | 1978 | 1979 |
|---|---|---|
| **Excise taxes—Continued** | | |
| **Manufacturer's excise taxes, total** | **6,555,681** | **7,057,612** |
| Gasoline, 4 cents per gallon | 4,444,484 | 4,525,065 |
| Lubricating oil, etc., 6 cents per gallon | 105,227 | 108,647 |
| Tires (wholly or in part of rubber), inner tubes, and treed rubber: | | |
| Tires, highway type, 10 cents per pound, other, 5 cents per pound except laminated tires (other than type used on highway vehicles), 1 cent per pound | 788,707 | 820,522 |
| Inner tubes, 10 cents per pound | 33,251 | 35,720 |
| Treed rubber, 5 cents per pound | 24,354 | 22,041 |
| Motor vehicles, chassis, bodies, parts, and accessories: | | |
| Passenger automobiles, chassis, bodies, etc., 7 percent [22] | 77 | -38 |
| Trucks, and buses, chassis, bodies, etc., 10 percent [22] | 817,228 | 965,486 |
| Parts and accessories for trucks and buses, 8 percent | 181,474 | 223,721 |
| Pistols and revolvers, 10 percent | 15,223 | 17,537 |
| Fishing rods, creels, etc., 10 percent | 28,351 | 30,416 |
| Bows and arrows, 11 percent | 6,794 | 5,039 |
| Firearms (other than pistols and revolvers), 11 percent | 34,499 | 43,184 |
| Shells and cartridges, 11 percent | 23,543 | 28,214 |
| Black Lung [23] | 52,464 | 232,056 |
| Other [24] | 4 | 1 |
| **Retailers excise taxes, total** | **522,677** | **553,291** |
| Noncommercial aviation gasoline, 3 cents per gallon | 10,954 | 10,720 |
| Noncommercial aviation fuel other than gasoline, 7 cents per gallon | 31,289 | 35,920 |
| Diesel and special motor fuels, 4 cents per gallon (in some instances 2 cents per gallon) | 481,427 | 506,651 |
| Other [24] | 8 | * |
| **Miscellaneous excise taxes, total** | **3,325,790** | **3,223,033** |
| Telephone and teletypewriter exchange services, 3 percent [25] | 1,656,736 | 1,362,193 |
| Transportation of persons by air, 8 percent | 1,110,813 | 1,272,003 |
| Transportation of property by air, 5 percent | 64,011 | 79,009 |
| Use of international air-travel facilities, $3 per person | 70,488 | 74,844 |
| Coin-operated gaming devices, $250 per device per year [26] | 7,300 | 4,867 |
| Wagering taxes: | | |
| Occupational tax, $500 per year | 1,048 | 906 |
| Wagers, 2 percent of amount waged | 6,637 | 9,124 |
| Use tax on highway vehicles weighing over 26,000 pounds, $3 per 1,000 pounds per year (installment privileges permitted) | 237,603 | 251,793 |
| Use tax on civil aircraft, $25 per year with an additional 2 cents per pound on nonturbine engine powered over 2,500 pounds or 3 1/2 cents per pound on turbine engine powered | 22,609 | 27,741 |
| Firearms transfer and occupational taxes [27] | 704 | 728 |
| Foreign insurance, 1 cent or 4 cents per dollar of premium | 51,909 | 69,261 |
| Exempt organizations, total | 92,419 | 68,567 |
| Net investment income, 2 percent [28] | 83,950 | 65,217 |
| Self dealing, 5 percent on self-dealer, lesser of $10,000 or 2 1/2 percent on foundation manager | 6,110 | 234 |
| Excess business holdings, 5 percent on foundation | * | 24 |
| Taxable expenditures, 10 percent on foundation, lesser of $5,000 or 2 1/2 percent on foundation manager | 79 | 130 |
| Failure to timely file certain information returns, $10 per day up to a maximum of $5,000 | 1,014 | 1,653 |
| Failure to distribute income, 15 percent of undistributed income | 1,265 | 1,306 |
| Investments which jeopardize charitable purpose, 5 percent on foundation, lesser of $5,000 or 5 percent on foundation manager | 2 | 3 |
| Employee pension plans, total | 2,990 | 2,050 |
| Excess contributions to an IRA, 6 percent of excess amount | 2,409 | 990 |
| Tax on underdistributions from an IRA, 50 percent of underdistribution | 46 | 116 |
| Prohibited transactions, 5 percent of prohibited transaction | 298 | 279 |
| Tax on excess contributions to an HR-10 Plan, 6 percent of excess amount | 18 | 18 |
| Failure to meet funding standards, 5 percent of funding deficiency | 157 | 261 |
| Tax on excess contributions to custodial account, 6 percent of excess amount | 61 | 51 |
| Failure to file registration statement, $1 per day up to $5,000 | - | 25 |
| Failure to file notification of change, $1,000 per day up to $5,000 | - | 3 |
| Failure to file statement required by section 6047 or 6058, $10 per day up to $5,000 | 1 | 306 |
| Failure to provide IRA reports, $10 each failure | - | * |
| Black Lung benefit trusts | - | 10 |
| Excess contributions, 5 percent of excess amount | - | 10 |
| Taxes on lobbying expenditures, 25 percent of taxable lobbying expenditures | - | 11 |
| Other [24] | 713 | 125 |
| **Unclassified excise taxes** | **196,182** | **72,128** |

## Table 3.—Internal revenue collections by principal sources, 1941 through 1979
(In thousands of dollars)

| Fiscal year | Total internal revenue collections | Income and profits taxes: Total | Income and profits taxes: Corporation income and profits taxes [2 16] | Income and profits taxes: Individual income taxes [2 6 17 18] | Employment taxes[3] | Estate and gift taxes [21] | Alcohol taxes[14] | Tobacco taxes[14] | Manufacturers excise taxes | All other taxes |
|---|---|---|---|---|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| 1941 | 7,370,108 | 3,471,124 | 2,053,469 | 1,417,655 | 925,856 | 407,058 | 820,056 | 698,077 | 617,373 | 430,564 |
| 1942 | 13,047,869 | 8,006,884 | 4,744,083 | 3,262,800 | 1,185,362 | 432,540 | 1,048,517 | 780,982 | 771,902 | 821,682 |
| 1943 | 22,371,386 | 16,298,888 | 9,668,956 | 6,629,932 | 1,498,705 | 447,496 | 1,423,646 | 923,857 | 504,746 | 1,274,048 |
| 1944 | 40,121,760 | 33,027,802 | 14,766,796 | 18,261,005 | 1,736,372 | 511,210 | 1,618,775 | 988,483 | 503,462 | 1,733,655 |
| 1945 | 43,800,388 | 35,061,526 | 16,027,213 | 19,034,313 | 1,779,177 | 643,055 | 2,309,866 | 932,145 | 782,511 | 2,292,108 |
| 1946 | 40,672,097 | 31,258,136 | 12,553,602 | 18,704,536 | 1,700,828 | 676,832 | 2,526,165 | 1,165,519 | 922,671 | 2,421,944 |
| 1947 | 39,108,386 | 29,019,756 | 9,676,459 | 19,343,297 | 2,024,365 | 779,291 | 2,474,762 | 1,237,768 | 1,425,260 | 2,147,184 |
| 1948 | 41,864,542 | 31,172,191 | 10,174,410 | 20,997,781 | 2,381,342 | 899,345 | 2,255,327 | 1,300,280 | 1,649,234 | 2,206,823 |
| 1949 | 40,463,125 | 29,605,491 | 11,553,669 | 18,051,822 | 2,476,113 | 796,538 | 2,210,607 | 1,321,875 | 1,771,533 | 2,280,969 |
| 1950 | 38,957,132 | 28,007,659 | 10,854,351 | 17,153,308 | 2,644,575 | 706,227 | 2,219,202 | 1,328,464 | 1,836,053 | 2,214,951 |
| 1951 | 50,445,686 | 37,384,879 | 14,387,569 | 22,997,309 | 3,627,479 | 729,730 | 2,546,806 | 1,380,396 | 2,383,677 | 2,392,719 |
| 1952 | 65,009,586 | 50,741,017 | 21,466,910 | 29,274,107 | 4,464,264 | 833,147 | 2,549,120 | 1,565,162 | 2,348,943 | 2,507,933 |
| 1953 | 69,686,535 | 54,130,732 | 21,594,515 | 32,536,217 | 4,718,403 | 891,284 | 2,780,925 | 1,654,911 | 2,862,788 | 2,547,492 |
| 1954 | 69,919,991 | 54,360,014 | 21,546,322 | 32,813,691 | 5,107,623 | 935,121 | 2,783,012 | 1,580,229 | 2,689,133 | 2,464,859 |
| 1955 | 66,288,692 | 49,914,826 | 18,264,720 | 31,650,106 | 5,219,665 | 936,267 | 2,742,840 | 1,571,213 | 2,885,016 | 2,018,866 |
| 1956 | 75,112,649 | 56,636,184 | 21,298,522 | 35,337,642 | 7,295,784 | 1,171,237 | 2,920,574 | 1,613,497 | 3,456,013 | 2,019,380 |
| 1957 | 80,171,971 | 60,560,425 | 21,530,653 | 39,029,772 | 7,580,522 | 1,377,999 | 2,973,195 | 1,674,050 | 3,761,925 | 2,243,856 |
| 1958 | 79,978,476 | 59,101,874 | 20,533,316 | 38,568,558 | 8,644,386 | 1,410,925 | 2,946,461 | 1,734,021 | 3,974,135 | 2,166,675 |
| 1959 | 79,797,973 | 58,826,254 | 18,091,509 | 40,734,744 | 8,853,744 | 1,352,982 | 3,002,096 | 1,806,816 | 3,958,789 | 1,997,292 |
| 1960 | 91,774,803 | 67,125,126 | 22,179,414 | 44,945,711 | 11,158,589 | 1,626,348 | 3,193,714 | 1,931,504 | 4,735,129 | 2,004,394 |
| 1961 | 94,401,086 | 67,917,941 | 21,764,940 | 46,153,001 | 12,502,451 | 1,916,392 | 3,212,801 | 1,991,117 | 4,896,802 | 1,963,582 |
| 1962 | 99,440,839 | 71,945,305 | 21,295,711 | 50,649,594 | 12,708,171 | 2,035,187 | 3,341,282 | 2,025,736 | 5,120,340 | 2,264,817 |
| 1963 | 105,925,395 | 75,323,714 | 22,336,134 | 52,987,581 | 15,004,486 | 2,187,457 | 3,441,656 | 2,079,237 | 5,610,309 | 2,278,536 |
| 1964 | 112,260,257 | 76,891,218 | 24,300,863 | 54,590,354 | 17,002,504 | 2,416,303 | 3,577,499 | 2,052,545 | 6,020,543 | 2,299,645 |
| 1965 | 114,434,634 | 79,792,016 | 26,131,334 | 53,660,683 | 17,104,306 | 2,745,532 | 3,772,634 | 2,148,594 | 6,418,145 | 2,453,406 |
| 1966 | 128,879,961 | 92,131,794 | 30,834,243 | 61,297,552 | 20,256,133 | 3,093,922 | 3,814,378 | 2,073,956 | 5,613,869 | 1,895,909 |
| 1967 | 148,374,815 | 104,288,420 | 34,917,825 | 69,370,595 | 26,958,241 | 3,014,406 | 4,075,723 | 2,070,869 | 5,478,347 | 2,479,809 |
| 1968 | 153,383,836 | 108,148,565 | 29,896,520 | 78,252,045 | 28,065,898 | 3,081,979 | 4,287,237 | 2,122,277 | 5,713,973 | 2,196,909 |
| 1969 | 187,919,560 | 135,778,052 | 38,337,646 | 97,440,406 | 33,068,657 | 3,530,065 | 4,555,560 | 2,137,585 | 6,501,146 | 2,348,495 |
| 1970 | 195,722,096 | 138,688,568 | 35,036,983 | 103,651,585 | 37,449,188 | 3,680,076 | 4,746,382 | 2,094,212 | 6,683,061 | 2,380,609 |
| 1971 | 191,647,198 | 131,072,374 | 30,319,953 | 100,752,421 | 39,918,690 | 3,784,283 | 4,800,482 | 2,206,585 | 6,684,799 | 3,179,985 |
| 1972 | 209,855,737 | 143,804,732 | 34,925,546 | 106,879,186 | 43,714,001 | 5,489,969 | 5,110,001 | 2,207,273 | 5,728,657 | 3,801,104 |
| 1973 | 237,787,204 | 164,157,315 | 39,045,309 | 125,112,006 | 54,081,709 | 4,975,862 | 5,149,513 | 2,276,951 | 5,395,750 | 3,750,104 |
| 1974 | 268,952,254 | 184,648,094 | 41,744,444 | 142,903,650 | 62,093,632 | 5,100,675 | 5,358,477 | 2,437,005 | 5,742,154 | 3,572,217 |
| 1975 | 293,822,726 | 202,146,097 | 45,746,660 | 156,399,437 | 70,140,809 | 4,688,079 | 5,350,858 | 2,315,090 | 5,516,611 | 3,665,182 |
| 1976 | 302,519,792 | 205,751,753 | 46,782,956 | 158,968,797 | 74,202,853 | 5,307,466 | 5,427,722 | 2,487,894 | 5,486,106 | 3,855,998 |
| TQ 1976 | 75,462,780 | 49,567,484 | 9,808,905 | 39,758,579 | 19,892,041 | 1,485,247 | 1,305,841 | 622,821 | 1,543,339 | 1,046,007 |
| 1977 | 358,139,417 | 246,805,067 | 60,049,804 | 186,755,263 | 86,076,316 | 7,425,325 | 5,406,633 | 2,398,501 | 6,068,682 | 3,958,893 |
| 1978 | 399,776,389 | 278,438,289 | 65,380,145 | 213,058,144 | 97,291,653 | 5,381,499 | 5,612,715 | 2,450,913 | 6,555,681 | 4,045,639 |
| 1979 | 460,412,185 | 322,993,733 | 71,447,876 | 251,545,857 | 112,849,874 | 5,519,074 | 5,647,924 | 2,495,517 | 7,057,612 | 3,848,450 |



## Footnotes for Tables 1–3

* Less then $500.

R Revised.

1. The receipts in the various States do not indicate the federal tax burden of each since, in many instances, taxes are collected in one State from residents of another State. For example, withholding taxes reported by employers located near State lines may include substantial amounts withheld from salaries of employees who reside in neighboring States.

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

3. Collections of individual income tax not withheld include old-age survivors, disability, and hospital insurance taxes on self-employment income (SECA). Similarly, the collections of individual income tax withheld are reported in combined amounts with old-age, survivors, disability, and hospital insurance taxes (FICA) on salaries and wages. Estimated seperate national totals for individual income tax and for old-age, survivors, disability, and hospital insurance taxes are shown in the text table on (Gross Internal Revenue Collections) page 5 and are used in obtaining national totals for individual income taxes and employment taxes in Table 3.

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

5. Includes Fiduciary income tax collections of $1.4 billion.

6. Beginning with fiscal year 1957, the United States total is adjusted to exclude withheld individual income taxes transferred to the Government of Guam in accordance with the provisions of Public Law 630, approved Aug. 1, 1950 (64 Stat. 392). This adjustment amounted to $14.5 million for 1979.

7. Includes net adjustment of -$67.6 million made by the Department of the Treasury.

8. This district is designated to report all revenue collections received from taxpayers residing outside of the area serviced by its Internal Revenue Service Center.

9. Tax payments made to banks, under the Federal tax deposit system are included in the internal revenue collections for the period in which the Federal Tax Deposit is purchased. However, such payments are not classified by internal revenue districts (nor by tax subclasses to which excise tax payments relate) until the Federal Tax Deposit payment is applied to the taxpayer's liability from tax returns filed.

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

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

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

13. Includes amounts transferred to special accounts for Puerto Rico, Virgin Islands and the Northern Mariana Islands. Also includes alcohol and tobacco tax amounts classified too late to be reported by district.

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

15. Refer to Table 2 for components.

16. Corporation income tax rates: Effective January 1, 1965, first $25,000 of net income normal tax of 22 percent, net income in excess of $25,000 combined normal and surtax of 48 percent. Normal tax and surtax also apply to net income derived by certain exempt organizations from unrelated trade or business. Effective January 1, 1968, a 10 percent per annum surcharge was added to the tax (Public Law 90–364). The 10 percent per annum surcharge was extended to December 31, 1969, by Public Law 91–53, extended to June 30, 1970, by Public Law 91–172 at a 5 percent annual rate, and then discontinued. Under the Tax Reduction Act of 1975 (P.L. 94–12), effective for 1975 returns, surtax exemption increased to $50,000 and normal tax reduced to 20 percent on first $25,000 of taxable income. These changes were extended by The Revenue Adjustment Act of 1975 (P.L. 94–164) to June 30, 1976, for 1976 returns at rates designed to achieve the half year extension. The lower rates and higher surtax exemption were extended through 1977 by the Tax Reform Act of 1976 (P.L. 94–455) and through 1978 by the Tax Reduction and Simplification Act of 1977 (P.L. 95–30). Effective for tax years beginning January 1, 1979, the Revenue Act of 1978 (P.L. 95–600) imposed a new rate structure graduated from 17 percent to 46 percent of taxable income.

17. Individual income tax rates: Effective January 1, 1965, graduated rates from 14 percent to 70 percent of taxable income. A 10 percent per annum surcharge added by Public Law 90-364, effective April 1, 1968, for individuals, was extended to December 31, 1969, at the same annual rate (Public Law 91–53), extended to June 30, 1970 (Public Law 91–171) at a 5 percent annual rate, and then discontinued. Includes SECA taxes of 8.1 percent on net earnings up to $17,700 for 1978 and $22,900 for 1979.

18. Rates of tax are as follows: Income Tax graduated withholding on wages in excess of exemptions: Public Law 89–368, effective July 1, 1967, 14 to 33 percent; Public Law 91–172, effective January 1, 1970, 14 to 25 percent; 14 to 36 percent effective January 16, 1972, under Public Law 92–178; 16 to 36 percent, effective April 30, 1975, under Public Laws 94–12 and 94–164; 15 to 36 percent, effective June 1, 1977, under Public Law 95–30; 15 to 39 percent effective January 1, 1979, under Public Law 95–600. A combined FICA tax rate of 12.1 percent was in effect on salaries and wages up to $17,700 for calendar year 1978 and 12.26 percent on wages up to $22,900 for 1979.

19. Consists of regular railroad retirement combined tax rate of 21.6 percent for calendar year 1978 and 21.76 percent for 1979. Tax applies to employers (15.55% for 1978 and 15.63 percent for 1979) and employees (6.05% for 1978 and 6.13% for 1979) and is imposed on taxable portion of wages (limited to first $1,475 of monthly taxable compensation for 1978 and $1,908.33 for 1979). Further includes railroad employee representatives tax of 21.6 percent for calendar year 1978 and 21.76 percent for 1979 on taxable portion of compensation received. In addition, a supplemental tax levied quarterly by the Railroad Retirement Board is imposed on employers and employee representatives based on man-hours worked.

20. Employers of one or more persons in each of 20 calendar weeks or who paid wages of $1,500 or more in any calendar quarter taxed 3.4 percent on taxable portion of wages up to $4,200 for calendar year 1978 and to $6,000 for 1979. This tax is reduced by credits for unemployment contributions paid to States up to 2.7 percent of FUTA tax.

21. Prior to January 1, 1977, estate tax rates were graduated from 3 percent on the first $5,000 of net estate in excess of a $60,000 exemption to 77 percent on portion over $10,000,000; gift taxes were three-fourths of the estate tax schedule for corresponding brackets with a $30,000 exemption subject to a $3,000 annual exclusion for each donee. Beginning January 1, 1977, the separate rates for estates and gifts were replaced by unified rates of tax graduated from 18 percent to 70 percent. The separate exemption amounts were replaced by a unified credit of $47,500 to be phased in over a 5 year period ($34,000 credit for 1978 and $38,000 for 1979).

22. Taxes on passenger automobiles and light trucks repealed December 11, 1971, by the Revenue Act of 1971.

23. Includes 50¢ and 2% per ton taxes on underground mined coal and 25¢ and 2% taxes on surface mined coal.

24. Includes delinquent taxes on items repealed by Public Laws 87–456, 88–36, and 89–44. Also includes sugar and interest equalization taxes which have expired.

25. Rate was reduced from 6 percent to 5 percent on January 1, 1977, to 4 percent on January 1, 1978 and to 3 percent January 1, 1979 (Public Law 91–614).

26. Beginning July 2, 1972, subject to credit up to 80 percent for State taxes imposed on such devices (P.L. 92-178). Maximum credit increased to 95 percent effective July 1, 1978 (P.L. 95-600).

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

28. Rate was reduced from 4 percent to 2 percent for taxable years beginning after September 30, 1977 (P.L. 95-600).

## Table 4.—Amount of internal revenue refunds including interest
(In thousands of dollars)

| Internal revenue regions, districts, States and other areas (States represented by single districts indicated in parentheses; totals for other States shown at bottom of table) | Total | Corporation income | Individual income and employment taxes: Excessive prepayment | Individual income and employment taxes: Other | Estate | Gift | Excise |
|---|---|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| **United States, total** | **41,709,588** | **5,992,853** | **33,262,579** | **2,024,147** | **110,569** | **10,379** | **309,062** |
| **North-Atlantic Region** | **5,844,074** | **1,124,199** | **4,341,012** | **133,283** | **23,015** | **2,010** | **20,554** |
| Albany (See (c) below) | 291,128 | 16,395 | 268,418 | 5,413 | 650 | 11 | 241 |
| Augusta (Maine) | 154,617 | 14,407 | 135,343 | 4,512 | 259 | 4 | 91 |
| Boston (Massachusetts) | 972,900 | 124,447 | 820,665 | 22,213 | 3,840 | 245 | 1,492 |
| Brooklyn (See (c) below) | 1,088,539 | 79,972 | 977,180 | 18,973 | 4,608 | 31 | 5,776 |
| Buffalo (See (c) below) | 723,416 | 53,901 | 651,469 | 12,946 | 3,230 | 35 | 1,835 |
| Burlington (Vermont) | 60,425 | 4,338 | 53,480 | 2,276 | 305 | 1 | 24 |
| Hartford (Connecticut) | 635,329 | 112,690 | 498,752 | 15,272 | 2,424 | 281 | 5,908 |
| Manhattan (See (c) below) | 1,416,027 | 675,313 | 683,798 | 43,678 | 6,925 | 1,294 | 5,019 |
| Portsmouth (New Hampshire) | 148,696 | 22,620 | 120,509 | 4,993 | 491 | 38 | 46 |
| Providence (Rhode Island) | 154,997 | 20,116 | 131,398 | 3,007 | 283 | 70 | 122 |
| **Mid-Atlantic Region** | **5,570,903** | **790,139** | **4,579,816** | **147,848** | **18,930** | **781** | **43,413** |
| Baltimore (Maryland & D.C.) | 1,024,157 | 93,591 | 887,861 | 33,282 | 2,122 | 57 | 7,244 |
| Newark (New Jersey) | 1,450,745 | 214,442 | 1,180,057 | 32,457 | 6,516 | 156 | 17,118 |
| Philadelphia (See (e) below) | 1,267,138 | 193,443 | 1,025,099 | 32,380 | 2,132 | 148 | 13,937 |
| Pittsburgh (See (e) below) | 871,563 | 173,534 | 674,775 | 19,689 | 1,743 | 244 | 1,580 |
| Richmond (Virginia) | 828,760 | 65,946 | 728,552 | 26,405 | 5,328 | 147 | 2,382 |
| Wilmington (Delaware) | 128,540 | 39,183 | 83,472 | 3,635 | 1,089 | 9 | 1,152 |
| **Southeast Region** | **4,561,522** | **490,808** | **3,880,624** | **173,287** | **12,383** | **858** | **23,765** |
| Atlanta (Georgia) | 783,108 | 79,397 | 662,971 | 27,660 | 2,168 | 90 | 10,822 |
| Birmingham (Alabama) | 528,754 | 62,410 | 445,616 | 19,399 | 746 | 182 | 401 |
| Columbia (South Carolina) | 360,454 | 34,126 | 314,851 | 10,540 | 443 | 16 | 480 |
| Greensboro (North Carolina) | 688,946 | 77,300 | 581,375 | 23,700 | 1,350 | 82 | 3,139 |
| Jackson (Mississippi) | 267,860 | 24,075 | 230,638 | 12,451 | 317 | 82 | 297 |
| Jacksonville (Florida) | 1,253,500 | 131,969 | 1,058,605 | 55,289 | 5,982 | 356 | 1,300 |
| Nashville (Tennessee) | 680,900 | 81,331 | 568,568 | 24,248 | 1,377 | 50 | 7,326 |
| **Central Region** | **5,765,100** | **633,782** | **4,947,283** | **155,024** | **8,624** | **385** | **22,012** |
| Cincinnati (See (d) below) | 781,653 | 57,873 | 698,151 | 21,062 | 1,284 | 27 | 3,256 |
| Cleveland (See (d) below) | 1,235,821 | 174,681 | 1,033,198 | 27,436 | 1,389- | 83 | 1,832 |
| Detroit (Michigan) | 1,946,589 | 227,025 | 1,662,934 | 44,065 | 3,072 | 148 | 9,345 |
| Indianapolis (Indiana) | 950,161 | 83,380 | 826,763 | 33,866 | 1,637 | 71 | 4,444 |
| Louisville (Kentucky) | 540,144 | 59,189 | 454,984 | 22,067 | 989 | 29 | 2,887 |
| Parkersburg (West Virginia) | 310,732 | 31,634 | 271,263 | 6,528 | 1,030 | 27 | 248 |
| **Midwest Region** | **5,611,504** | **892,581** | **4,438,895** | **232,950** | **13,616** | **3,794** | **31,686** |
| Aberdeen (South Dakota) | 86,851 | 9,502 | 68,384 | 8,605 | 246 | 23 | 92 |
| Chicago (See (b) below) | 1,898,236 | 325,534 | 1,499,270 | 59,326 | 5,266 | 372 | 8,468 |
| Des Moines (Iowa) | 458,255 | 83,326 | 343,200 | 30,013 | 1,023 | 45 | 648 |
| Fargo (North Dakota) | 93,989 | 8,884 | 74,211 | 10,532 | 176 | 22 | 164 |
| Milwaukee (Wisconsin) | 817,208 | 148,532 | 637,126 | 24,126 | 2,015 | 2,859 | 2,548 |
| Omaha (Nebraska) | 247,287 | 44,842 | 181,809 | 19,018 | 974 | 120 | 523 |
| St. Louis (Missouri) | 771,529 | 102,877 | 619,943 | 29,705 | 1,878 | 269 | 16,857 |
| St. Paul (Minnesota) | 710,971 | 105,603 | 575,323 | 27,934 | 671 | 49 | 1,191 |
| Springfield (See (b) below) | 527,178 | 63,461 | 437,629 | 23,691 | 1,167 | 35 | 1,195 |
| **Southwest Region** | **5,082,857** | **811,248** | **4,007,782** | **244,396** | **13,924** | **1,521** | **13,790** |
| Albuquerque (New Mexico) | 182,484 | 12,794 | 160,760 | 8,350 | 445 | 28 | 107 |
| Austin (See (f) below) | 1,504,446 | 300,293 | 1,132,671 | 61,007 | 4,482 | 907 | 5,086 |
| Cheyenne (Wyoming) | 93,985 | 11,853 | 75,663 | 6,137 | 338 | 12 | 18- |
| Dallas (See (f) below) | 967,597 | 169,450 | 736,347 | 53,761 | 3,073 | 104 | 4,863 |
| Denver (Colorado) | 546,803 | 70,932 | 448,823 | 25,515 | 1,055 | 123 | 354 |
| Little Rock (Arkansas) | 271,487 | 28,211 | 226,144 | 16,621 | 292 | 54 | 165 |
| New Orleans (Louisana) | 660,976 | 69,672 | 561,980 | 26,201 | 1,713 | 107 | 1,303 |
| Oklahoma City (Oklahoma) | 499,161 | 101,071 | 371,306 | 24,606 | 939 | 131 | 1,108 |
| Wichita (Kansas) | 365,718 | 46,970 | 294,088 | 22,198 | 1,587 | 55 | 822 |
| **Western Region** | **8,164,198** | **1,026,684** | **6,803,893** | **289,387** | **21,007** | **1,046** | **22,183** |
| Anchorage (Alaska) | 162,661 | 15,243 | 138,178 | 8,887 | 139 | 2 | 212 |
| Boise (Idaho) | 177,278 | 46,955 | 118,538 | 11,380 | 294 | 4 | 107 |
| Helena (Montana) | 124,919 | 9,206 | 103,964 | 11,218 | 297 | 3 | 231 |
| Honolulu (Hawaii) | 183,507 | 33,852 | 145,483 | 3,590 | 426 | 71 | 86 |
| Los Angeles (See (a) below) | 3,267,559 | 424,669 | 2,733,303 | 95,559 | 7,552 | 425 | 6,051 |
| Phoenix (Arizona) | 429,529 | 26,612 | 376,219 | 16,805 | 1,025 | 71 | 8,797 |
| Portland (Oregon) | 508,184 | 63,870 | 415,023 | 28,030 | 887 | 141 | 233 |
| Reno (Nevada) | 166,616 | 17,373 | 142,090 | 6,460 | 581 | 52 | 55 |
| Salt Lake City (Utah) | 251,532 | 29,622 | 211,118 | 10,201 | 339 | 37 | 217 |
| San Francisco (See (a) below) | 2,077,624 | 230,999 | 1,775,809 | 58,712 | 7,096 | 183 | 4,825 |
| Seattle (Washington) | 814,789 | 128,278 | 644,168 | 38,545 | 2,371 | 57 | 1,369 |
| **Office of International Operations** | **304,017** | **25,534** | **265,387** | **11,539** | **1,072** | **6** | **479** |
| Puerto Rico | 24,101 | 226 | 31,406 | 7,990- | 21 | - | 438 |
| Other | 279,916 | 25,308 | 233,981 | 19,529 | 1,051 | 6 | 41 |
| **Other miscellaneous refunds** | **995,617** | **208,127** | **19,874** | **636,435** | - | - | **131,181** |
| Gasoline, lubricating oil and excess FICA credits | 766,173 | - | - | 636,435 | - | - | 129,738 |
| Bureau of Customs | 1,443 | - | - | - | - | - | 1,443 |
| Earned Income Credits Offsets | 5,443 | - | 5,443 | - | - | - | - |
| Refunds reversals unclassified | 222,558 | 208,127 | 14,431 | - | - | - | - |
| **Totals for States not shown above** | | | | | | | |
| (a) California | 5,345,183 | 655,668 | 4,509,112 | 154,271 | 14,648 | 608 | 10,876 |
| (b) Illinois | 2,425,414 | 388,995 | 1,936,899 | 83,017 | 6,433 | 407 | 9,663 |
| (c) New York | 3,517,110 | 825,581 | 2,580,665 | 81,010 | 15,413 | 1,371 | 12,871 |
| (d) Ohio | 2,017,474 | 232,534 | 1,731,349 | 48,498 | 105- | 110 | 5,088 |
| (e) Pennsylvania | 2,138,701 | 366,977 | 1,699,874 | 52,069 | 3,875 | 392 | 15,517 |
| (f) Texas | 2,472,043 | 469,743 | 1,869,018 | 114,768 | 7,555 | 1,011 | 9,949 |

## Table 5.—Number of internal revenue refunds issued



| Internal revenue regions, districts, States, and other areas. (States represented by single districts indicated in parentheses; total for other States shown at bottom of table) | Total[1] | Corporation income | Individual income and employment taxes: Excessive prepayment | Individual income and employment taxes: Other | Estate | Gift | Excise |
|---|---|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| **United States, total** | **69,412,210** | **541,690** | **65,659,045** | **3,122,713** | **19,728** | **2,917** | **66,117** |
| **North-Atlantic Region** | **9,378,802** | **74,119** | **8,945,511** | **348,331** | **3,410** | **426** | **7,006** |
| Albany (See (c) below) | 610,349 | 3,924 | 585,243 | 20,567 | 175 | 20 | 420 |
| Augusta (Maine) | 348,408 | 3,126 | 331,130 | 13,718 | 64 | 10 | 360 |
| Boston (Massachusetts) | 1,866,146 | 16,564 | 1,783,582 | 63,972 | 495 | 52 | 1,481 |
| Brooklyn (See (c) below) | 1,955,412 | 9,512 | 1,880,595 | 63,325 | 763 | 64 | 1,153 |
| Buffalo (See (c) below) | 1,414,075 | 10,602 | 1,356,968 | 44,780 | 430 | 53 | 1,242 |
| Burlington (Vermont) | 147,168 | 1,448 | 137,417 | 8,122 | 39 | 11 | 131 |
| Hartford (Connecticut) | 1,065,100 | 7,948 | 1,012,475 | 43,484 | 458 | 83 | 654 |
| Manhattan (See (c) below) | 1,363,217 | 14,978 | 1,278,565 | 67,647 | 849 | 115 | 1,063 |
| Portsmouth (New Hampshire) | 293,294 | 2,757 | 277,622 | 12,496 | 87 | 12 | 320 |
| Providence (Rhode Island) | 315,633 | 3,260 | 301,914 | 10,220 | 52 | 6 | 181 |
| **Mid-Atlantic Region** | **9,538,751** | **63,565** | **9,109,877** | **353,857** | **2,428** | **324** | **8,700** |
| Baltimore (Maryland & D.C.) | 1,712,735 | 11,854 | 1,635,334 | 63,853 | 482 | 100 | 1,112 |
| Newark (New Jersey) | 2,404,273 | 17,573 | 2,290,871 | 92,876 | 912 | 68 | 1,973 |
| Philadelphia (See (e) below) | 2,250,527 | 13,915 | 2,152,670 | 81,870 | 451 | 50 | 1,571 |
| Pittsburgh (See (e) below) | 1,398,665 | 7,056 | 1,343,867 | 46,378 | 229 | 42 | 1,093 |
| Richmond (Virginia) | 1,582,109 | 10,387 | 1,509,428 | 60,709 | 309 | 51 | 1,225 |
| Wilmington (Delaware) | 190,442 | 2,780 | 177,707 | 8,171 | 45 | 13 | 1,726 |
| **Southeast Region** | **9,654,048** | **68,466** | **9,163,602** | **409,138** | **2,146** | **403** | **10,293** |
| Atlanta (Georgia) | 1,556,906 | 10,358 | 1,484,139 | 60,431 | 221 | 68 | 1,689 |
| Birmingham (Alabama) | 1,038,832 | 6,375 | 991,234 | 39,971 | 128 | 39 | 1,085 |
| Columbia (South Carolina) | 839,815 | 5,340 | 803,469 | 30,071 | 139 | 35 | 761 |
| Greensboro (North Carolina) | 1,627,224 | 13,448 | 1,544,404 | 67,413 | 274 | 58 | 1,627 |
| Jackson (Mississippi) | 615,166 | 3,716 | 584,541 | 26,074 | 85 | 25 | 725 |
| Jacksonville (Florida) | 2,597,438 | 21,222 | 2,442,575 | 129,159 | 1,090 | 146 | 3,246 |
| Nashville (Tennessee) | 1,378,667 | 8,007 | 1,313,240 | 56,019 | 209 | 32 | 1,160 |
| **Central Region** | **9,578,505** | **63,765** | **9,152,045** | **350,296** | **1,955** | **233** | **8,211** |
| Cincinnati (See (d) below) | 1,459,900 | 10,503 | 1,395,295 | 52,509 | 293 | 24 | 1,276 |
| Cleveland (See (d) below) | 1,994,879 | 15,641 | 1,908,994 | 68,393 | 399 | 39 | 1,413 |
| Detroit (Michigan) | 2,954,149 | 20,167 | 2,829,907 | 101,230 | 548 | 77 | 2,220 |
| Indianapolis (Indiana) | 1,667,623 | 8,001 | 1,589,364 | 68,101 | 399 | 45 | 1,713 |
| Louisville (Kentucky) | 970,573 | 5,837 | 921,061 | 42,308 | 220 | 30 | 1,117 |
| Parkersburg (West Virginia) | 529,381 | 3,616 | 507,424 | 17,755 | 96 | 18 | 472 |
| **Midwest Region** | **9,326,951** | **91,923** | **8,744,007** | **478,116** | **3,187** | **572** | **11,146** |
| Aberdeen (South Dakota) | 185,081 | 2,098 | 165,102 | 17,489 | 61 | 13 | 318 |
| Chicago (See (b) below) | 2,779,672 | 24,208 | 2,647,579 | 104,911 | 803 | 121 | 2,050 |
| Des Moines (Iowa) | 792,237 | 9,303 | 722,112 | 59,076 | 379 | 64 | 1,303 |
| Fargo (North Dakota) | 178,051 | 1,818 | 157,348 | 18,372 | 104 | 21 | 388 |
| Milwaukee (Wisconsin) | 1,420,375 | 15,435 | 1,338,091 | 64,389 | 449 | 78 | 1,933 |
| Omaha (Nebraska) | 442,679 | 5,763 | 401,413 | 34,667 | 203 | 53 | 580 |
| St. Louis (Missouri) | 1,403,546 | 13,969 | 1,319,733 | 67,094 | 426 | 93 | 2,231 |
| St. Paul (Minnesota) | 1,238,478 | 12,171 | 1,159,810 | 64,614 | 398 | 62 | 1,423 |
| Springfield (See (b) below) | 886,832 | 7,158 | 832,819 | 45,504 | 364 | 67 | 920 |
| **Southwest Region** | **8,751,540** | **69,270** | **8,214,425** | **455,596** | **2,041** | **447** | **9,761** |
| Albuquerque (New Mexico) | 377,667 | 2,582 | 357,370 | 17,285 | 71 | 12 | 347 |
| Austin (See (f) below) | 2,452,356 | 15,899 | 2,320,908 | 112,488 | 510 | 118 | 2,433 |
| Cheyenne (Wyoming) | 144,354 | 1,976 | 132,227 | 9,878 | 46 | 23 | 204 |
| Dallas (See (f) below) | 1,658,747 | 13,310 | 1,548,215 | 94,633 | 407 | 87 | 2,095 |
| Denver (Colorado) | 911,751 | 8,637 | 853,402 | 48,714 | 204 | 45 | 749 |
| Little Rock (Arkansas) | 574,157 | 4,923 | 535,888 | 32,549 | 110 | 22 | 665 |
| New Orleans (Louisana) | 1,156,934 | 8,048 | 1,096,421 | 50,975 | 220 | 19 | 1,253 |
| Oklahoma City (Oklahoma) | 810,615 | 6,548 | 756,878 | 45,903 | 207 | 72 | 1,007 |
| Wichita (Kansas) | 664,959 | 7,349 | 613,116 | 43,171 | 266 | 49 | 1,008 |
| **Western Region** | **12,829,959** | **102,930** | **12,015,002** | **606,296** | **4,340** | **499** | **10,893** |
| Anchorage (Alaska) | 146,713 | 1,554 | 136,099 | 8,764 | 21 | 2 | 253 |
| Boise (Idaho) | 260,787 | 2,918 | 238,682 | 18,823 | 68 | 6 | 290 |
| Helena (Montana) | 236,937 | 3,527 | 213,503 | 19,293 | 75 | 20 | 519 |
| Honolulu (Hawaii) | 305,625 | 3,269 | 290,183 | 11,932 | 97 | 20 | 124 |
| Los Angeles (See (a) below) | 4,984,394 | 35,932 | 4,678,634 | 264,392 | 1,738 | 179 | 3,521 |
| Phoenix (Arizona) | 754,636 | 5,681 | 714,478 | 33,662 | 220 | 35 | 560 |
| Portland (Oregon) | 892,015 | 8,711 | 833,196 | 49,108 | 184 | 32 | 784 |
| Reno (Nevada) | 269,674 | 2,088 | 254,720 | 12,485 | 58 | 29 | 294 |
| Salt Lake City (Utah) | 409,247 | 3,141 | 385,460 | 20,232 | 76 | 25 | 313 |
| San Francisco (See (a) below) | 3,307,519 | 24,203 | 3,093,823 | 185,139 | 1,446 | 120 | 2,788 |
| Seattle (Washington) | 1,262,412 | 11,906 | 1,176,224 | 72,445 | 359 | 31 | 1,447 |
| **Office of International Operations** | **224,331** | **789** | **190,116** | **33,084** | **221** | **13** | **108** |
| Puerto Rico | 44,575 | 34 | 30,138 | 14,342 | 59 | 1 | 1 |
| Other | 179,756 | 755 | 159,978 | 18,742 | 162 | 12 | 107 |
| **Refunds reversals unclassified[1]** | **131,323** | **6,863** | **124,460** | - | - | - | - |
| **Totals for States not shown above** | | | | | | | |
| (a) California | 8,291,913 | 60,135 | 7,772,457 | 449,531 | 3,182 | 299 | 6,309 |
| (b) Illinois | 3,666,504 | 31,366 | 3,480,398 | 150,415 | 1,167 | 188 | 2,970 |
| (c) New York | 5,343,053 | 39,016 | 5,101,371 | 196,319 | 2,217 | 252 | 3,878 |
| (d) Ohio | 3,454,779 | 26,144 | 3,304,289 | 120,902 | 692 | 63 | 2,689 |
| (e) Pennsylvania | 3,649,192 | 20,971 | 3,496,537 | 128,248 | 680 | 92 | 2,664 |
| (f) Texas | 4,111,103 | 29,209 | 3,869,123 | 207,121 | 917 | 205 | 4,528 |

[1] District office details were not available for refund reversals pending classification when FY 1979 books were closed.

## Table 6.—Overassessments of tax as the result of examination
(Exclusive of claims for refund)

| | Numbers: 1978 | Numbers: 1979 | Amount Recommended (In thousands of dollars): 1978 | Amount Recommended (In thousands of dollars): 1979 |
|---|---|---|---|---|
| **Total** | **132,600** | **133,059** | **$312,265** | **$327,741** |
| Individual | 106,468 | 108,303 | 97,982 | 94,358 |
| Fiduciary | 1,450 | 1,453 | 10,839 | 16,536 |
| Corporation | 11,002 | 10,498 | 158,810 | 163,536 |
| Estate | 4,183 | 3,974 | 28,253 | 34,230 |
| Gift | 549 | 502 | 1,532 | 2,242 |
| Excise | 4,040 | 4,278 | 9,476 | 7,048 |
| Employment | 4,908 | 4,051 | 5,373 | 9,791 |

## Table 7.—Number of returns filed, by internal revenue regions, districts, states, and other areas

| Internal revenue regions, districts, States and other areas (States represented by single districts indicated in parentheses; total for other States shown at bottom of table) | | Total tax returns (1) | Individual income tax (2) | Declaration of estimated tax (3) | Fiduciary (4) | Partnership (5) | Corporation income tax (6) | Estate tax (7) |
|---|---|---|---|---|---|---|---|---|
| **United States, total** | | **140,174,445** | **90,826,788** | **8,425,454** | **1,803,545** | **1,353,326** | **2,624,229** | **159,404** |
| **North-Atlantic Region** | | **19,525,876** | **12,530,422** | **1,212,437** | **352,691** | **144,500** | **478,450** | **24,026** |
| Albany | (See (c) below) | 1,184,973 | 807,320 | 72,446 | 9,790 | 8,097 | 22,054 | 1,552 |
| Augusta | (Maine) | 687,952 | 449,747 | 41,592 | 9,583 | 3,658 | 11,911 | 704 |
| Boston | (Massachusetts) | 3,695,782 | 2,452,235 | 223,094 | 92,516 | 18,988 | 78,700 | 4,682 |
| Brooklyn | (See (c) below) | 4,139,565 | 2,766,831 | 265,569 | 23,295 | 28,901 | 113,178 | 4,692 |
| Buffalo | (See (c) below) | 2,844,487 | 1,827,311 | 157,536 | 36,967 | 19,564 | 44,544 | 3,366 |
| Burlington | (Vermont) | 331,750 | 199,565 | 20,908 | 4,735 | 2,845 | 7,327 | 340 |
| Hartford | (Connecticut) | 2,275,168 | 1,428,153 | 152,855 | 45,225 | 20,222 | 46,414 | 2,942 |
| Manhattan | (See (c) below) | 3,371,028 | 1,813,632 | 208,372 | 114,427 | 35,222 | 124,213 | 4,563 |
| Portsmouth | (New Hampshire) | 588,193 | 383,889 | 35,883 | 6,533 | 3771 | 11,273 | 654 |
| Providence | (Rhode Island) | 606,978 | 401,739 | 34,182 | 9,620 | 3,227 | 16,836 | 531 |
| **Mid-Atlantic Region** | | **18,824,902** | **12,458,841** | **1,152,418** | **272,340** | **153,690** | **343,734** | **18,488** |
| Baltimore | (Maryland & D.C.) | 3,296,394 | 2,172,777 | 194,444 | 43,369 | 26,262 | 54,210 | 3,110 |
| Newark | (New Jersey) | 5,033,595 | 3,196,467 | 313,647 | 54,052 | 42,227 | 133,888 | 5,907 |
| Philadelphia | (See (e) below) | 4,376,704 | 2,957,893 | 291,551 | 94,554 | 36,356 | 68,997 | 4,183 |
| Pittsburgh | (See (e) below) | 2,578,013 | 1,796,778 | 160,716 | 39,829 | 22,005 | 29,826 | 1,968 |
| Richmond | (Virginia) | 3,085,923 | 2,085,142 | 170,699 | 30,547 | 24,277 | 47,763 | 2,831 |
| Wilmington | (Delaware) | 554,273 | 245,764 | 21,361 | 10,189 | 2,463 | 9,040 | 467 |
| **Southeast Region** | | **20,138,814** | **12,947,318** | **1,147,187** | **187,949** | **184,050** | **354,949** | **19,418** |
| Atlanta | (Georgia) | 3,022,072 | 1,988,131 | 129,738 | 24,411 | 23,218 | 49,319 | 2,040 |
| Birmingham | (Alabama) | 1,979,328 | 1,326,822 | 90,685 | 15,950 | 14,541 | 28,488 | 1,340 |
| Columbia | (South Carolina) | 1,637,590 | 1,096,964 | 82,863 | 9,866 | 12,328 | 24,385 | 1,323 |
| Greensboro | (North Carolina) | 3,286,582 | 2,202,328 | 165,861 | 24,463 | 26,170 | 55,043 | 2,452 |
| Jackson | (Mississippi) | 1,234,612 | 809,686 | 56,231 | 6,380 | 11,028 | 17,545 | 925 |
| Jacksonville | (Florida) | 6,252,426 | 3,718,937 | 500,666 | 87,011 | 49,434 | 146,519 | 9,442 |
| Nashville | (Tennessee) | 2,726,204 | 1,804,450 | 121,123 | 19,868 | 27,331 | 33,550 | 1,896 |
| **Central Region** | | **17,959,861** | **12,252,791** | **1,030,089** | **216,447** | **148,204** | **285,210** | **17,179** |
| Cincinnati | (See (d) below) | 2,839,082 | 1,884,838 | 160,639 | 36,285 | 22,055 | 40,668 | 2,924 |
| Cleveland | (See (d) below) | 3,761,802 | 2,565,858 | 219,191 | 49,067 | 27,727 | 63,032 | 4,008 |
| Detroit | (Michigan) | 5,295,798 | 3,685,191 | 292,478 | 63,632 | 46,815 | 85,619 | 3,869 |
| Indianapolis | (Indiana) | 3,176,739 | 2,185,538 | 196,711 | 39,329 | 22,057 | 51,868 | 4,081 |
| Louisville | (Kentucky) | 1,909,825 | 1,271,244 | 108,929 | 19,092 | 20,486 | 28,739 | 1,579 |
| Parkersburg | (West Virginia) | 976,615 | 660,122 | 52,141 | 9,042 | 9,064 | 15,284 | 698 |
| **Midwest Region** | | **19,835,538** | **12,826,278** | **1,262,259** | **314,544** | **196,544** | **343,488** | **34,455** |
| Aberdeen | (South Dakota) | 451,646 | 271,362 | 27,310 | 4,351 | 5,735 | 7,209 | 1,044 |
| Chicago | (See (b) below) | 5,438,873 | 3,681,385 | 323,919 | 109,892 | 55,445 | 98,921 | 8,854 |
| Des Moines | (Iowa) | 1,903,414 | 1,185,337 | 144,081 | 33,100 | 21,682 | 34,161 | 4,839 |
| Fargo | (North Dakota) | 444,729 | 261,704 | 27,095 | 4,633 | 5,424 | 7,298 | 1,502 |
| Milwaukee | (Wisconsin) | 2,937,548 | 1,937,932 | 192,139 | 50,048 | 25,171 | 52,920 | 3,724 |
| Omaha | (Nebraska) | 1,057,511 | 639,809 | 70,342 | 13,762 | 12,509 | 20,992 | 2,846 |
| St. Louis | (Missouri) | 2,956,974 | 1,943,938 | 195,185 | 43,138 | 25,436 | 53,500 | 3,200 |
| St. Paul | (Minnesota) | 2,582,947 | 1,666,795 | 149,672 | 30,179 | 25,665 | 47,516 | 4,434 |
| Springfield | (See (b) below) | 1,861,996 | 1,240,016 | 132,516 | 25,841 | 19,477 | 20,971 | 4,212 |
| **Southwest Region** | | **19,345,486** | **11,543,097** | **953,038** | **177,034** | **209,456** | **309,105** | **17,347** |
| Albuquerque | (New Mexico) | 730,068 | 484,448 | 38,421 | 5,493 | 7,851 | 11,206 | 485 |
| Austin | (See (f) below) | 5,022,028 | 3,161,450 | 229,461 | 46,202 | 55,421 | 72,084 | 3,717 |
| Cheyenne | (Wyoming) | 315,369 | 187,371 | 18,080 | 2,757 | 4,350 | 7,053 | 368 |
| Dallas | (See (f) below) | 3,611,289 | 2,251,211 | 199,797 | 44,000 | 51,937 | 57,538 | 3,193 |
| Denver | (Colorado) | 1,887,888 | 1,184,880 | 107,327 | 23,701 | 26,628 | 38,518 | 2,173 |
| Little Rock | (Arkansas) | 1,212,869 | 778,457 | 69,837 | 8,443 | 12,318 | 20,617 | 902 |
| New Orleans | (Louisiana) | 2,196,230 | 1,446,623 | 115,439 | 10,296 | 15,808 | 44,803 | 1,225 |
| Oklahoma City | (Oklahoma) | 1,732,837 | 1,099,074 | 106,401 | 16,517 | 19,665 | 30,983 | 2,385 |
| Wichita | (Kansas) | 1,536,888 | 949,583 | 110,275 | 19,625 | 15,478 | 26,302 | 2,899 |
| **Western Region** | | **25,015,314** | **15,825,737** | **1,566,881** | **291,743** | **336,329** | **403,804** | **27,678** |
| Anchorage | (Alaska) | 275,431 | 174,033 | 7,825 | 1,047 | 4,937 | 4,813 | 156 |
| Boise | (Idaho) | 559,813 | 348,967 | 29,915 | 4,097 | 7,944 | 10,309 | 587 |
| Helena | (Montana) | 546,386 | 324,457 | 34,631 | 5,194 | 7,610 | 10,719 | 845 |
| Honolulu | (Hawaii) | 614,918 | 406,469 | 37,509 | 5,672 | 6,632 | 14,498 | 564 |
| Los Angeles | (See (a) below) | 9,049,832 | 5,861,332 | 585,215 | 109,548 | 126,304 | 150,643 | 9,880 |
| Phoenix | (Arizona) | 1,510,834 | 976,353 | 97,865 | 19,866 | 14,835 | 26,411 | 1,690 |
| Portland | (Oregon) | 1,996,691 | 1,175,176 | 110,235 | 19,048 | 23,573 | 31,187 | 2,289 |
| Reno | (Nevada) | 516,400 | 339,619 | 24,607 | 5,423 | 6,085 | 10,142 | 342 |
| Salt Lake City | (Utah) | 776,817 | 505,288 | 32,349 | 10,968 | 11,779 | 16,150 | 528 |
| San Francisco | (See (a) below) | 6,511,053 | 4,061,886 | 444,367 | 73,155 | 93,346 | 85,347 | 8,465 |
| Seattle | (Washington) | 2,858,339 | 1,654,157 | 162,243 | 27,725 | 32,964 | 43,585 | 2,330 |
| **Office of International Operations** | | **728,754** | **442,282** | **61,145** | **797** | **653** | **7,496** | **637** |
| Puerto Rico | | 271,174 | 76,258 | 13,166 | 74 | 73 | 275 | 32 |
| Other | | 457,580 | 366,024 | 47,979 | 723 | 580 | 7,221 | 605 |
| **Totals for States not shown above** | | | | | | | | |
| | (a) California | 15,560,915 | 9,923,218 | 1,029,582 | 182,703 | 219,650 | 235,990 | 18,345 |
| | (b) Illinois | 7,300,869 | 4,921,401 | 456,435 | 135,333 | 74,922 | 119,892 | 13,066 |
| | (c) New York | 11,340,053 | 7,215,094 | 703,923 | 184,479 | 91,789 | 303,989 | 14,173 |
| | (d) Ohio | 6,600,584 | 4,450,696 | 379,830 | 85,352 | 49,782 | 103,700 | 6,932 |
| | (e) Pennsylvania | 6,954,717 | 4,754,671 | 452,267 | 134,183 | 58,361 | 96,823 | 6,151 |
| | (f) Texas | 8,633,317 | 5,412,661 | 429,256 | 90,202 | 107,358 | 129,623 | 6,910 |

Column Contents:
(2) Includes Forms 1040, 1040A, 1040NR, 1040SS–PR, 1040C, and 1042.
(3) Form 1040ES.
(4) Form 1041.
(5) Form 1065.
(6) Includes Forms 1120, 1120 Specials (Sched. PH, 1120L, 1120M), 1120S, 1120–DISC, 1120POL, 1120F, and 1120H
(7) Includes Forms 706 and 706NA.



## Table 7.—Continued

| Internal revenue regions, districts, States and other areas (States represented by single districts indicated in parentheses; total for other States shown at bottom of table) | | Gift Tax (8) | Employment taxes (9) | Exempt Organization (10) | Employee Plans (11) | ATF Returns (12) | Excise taxes (13) | Supplemental documents (14) |
|---|---|---|---|---|---|---|---|---|
| **United States, total** | | **201,785** | **26,218,069** | **450,479** | **1,213,785** | **538,745** | **1,013,499** | **5,444,762** |
| **North-Atlantic Region** | | **30,887** | **3,724,031** | **31,771** | **251,250** | **94,223** | **99,188** | **594,200** |
| Albany | (See (c) below) | 1,435 | 211,266 | - | 10,199 | 6,536 | 8,972 | 25,286 |
| Augusta | (Maine) | 1,180 | 136,452 | - | 5,461 | 3,960 | 8,805 | 14,899 |
| Boston | (Massachusetts) | 6,226 | 632,512 | 31,771 | 38,617 | 9,548 | 18,694 | 88,197 |
| Brooklyn | (See (c) below) | 3,817 | 756,361 | - | 50,787 | 8,985 | 12,071 | 105,078 |
| Buffalo | (See (c) below) | 4,048 | 433,734 | - | 28,376 | 12,574 | 19,626 | 56,836 |
| Burlington | (Vermont) | 662 | 77,436 | - | 3,334 | 2,113 | 2,911 | 9,574 |
| Hartford | (Connecticut) | 5,007 | 395,681 | - | 27,847 | 8,098 | 11,813 | 130,911 |
| Manhattan | (See (c) below) | 6,745 | 849,526 | - | 75,806 | 7,463 | 7,687 | 123,372 |
| Portsmouth | (New Hampshire) | 926 | 114,415 | - | 4,788 | 2,957 | 6,015 | 17,089 |
| Providence | (Rhode Island) | 639 | 116,628 | - | 6,035 | 1,989 | 2,594 | 12,958 |
| **Mid-Atlantic Region** | | **23,588** | **3,310,912** | **155,681** | **163,080** | **81,234** | **112,049** | **706,879** |
| Baltimore | (Maryland & D.C.) | 4,735 | 565,677 | - | 23,720 | 9,133 | 16,417 | 182,540 |
| Newark | (New Jersey) | 5,896 | 903,447 | - | 66,527 | 12,973 | 22,857 | 273,687 |
| Philadelphia | (See (e) below) | 4,935 | 752,684 | - | 37,813 | 14,922 | 27,067 | 85,749 |
| Pittsburgh | (See (e) below) | 2,419 | 425,961 | - | 18,749 | 10,726 | 22,329 | 46,907 |
| Richmond | (Virginia) | 4,879 | 590,943 | - | 13,651 | 12,058 | 20,666 | 82,467 |
| Wilmington | (Delaware) | 724 | 72,200 | 155,681 | 2,620 | 1,422 | 2,713 | 29,629 |
| **Southeast Region** | | **28,148** | **4,100,596** | **50,964** | **100,449** | **80,082** | **140,323** | **817,373** |
| Atlanta | (Georgia) | 4,696 | 632,433 | 27,891 | 16,649 | 10,527 | 21,347 | 91,470 |
| Birmingham | (Alabama) | 2,277 | 414,498 | - | 10,468 | 8,043 | 16,344 | 49,672 |
| Columbia | (South Carolina) | 2,030 | 340,182 | - | 7,344 | 7,940 | 12,695 | 39,670 |
| Greensboro | (North Carolina) | 4,541 | 676,916 | - | 11,833 | 11,775 | 23,801 | 81,379 |
| Jackson | (Mississippi) | 1,267 | 273,953 | - | 5,182 | 8,194 | 11,415 | 32,706 |
| Jacksonville | (Florida) | 10,540 | 1,252,464 | 23,073 | 38,389 | 22,672 | 33,411 | 359,868 |
| Nashville | (Tennessee) | 2,793 | 510,150 | - | 10,384 | 10,941 | 21,310 | 162,408 |
| **Central Region** | | **22,483** | **3,049,532** | **58,577** | **121,882** | **77,551** | **141,429** | **538,289** |
| Cincinnati | (See (d) below) | 3,715 | 458,142 | 27,486 | 21,340 | 9,880 | 17,925 | 155,185 |
| Cleveland | (See (d) below) | 4,875 | 636,394 | 16,364 | 29,010 | 14,901 | 27,485 | 103,690 |
| Detroit | (Michigan) | 5,856 | 859,664 | 14,727 | 41,480 | 21,899 | 36,696 | 137,850 |
| Indianapolis | (Indiana) | 4,756 | 536,035 | - | 17,535 | 13,414 | 31,994 | 73,421 |
| Louisville | (Kentucky) | 2,368 | 373,784 | - | 8,579 | 10,304 | 17,294 | 47,447 |
| Parkersburg | (West Virginia) | 913 | 187,533 | - | 3,938 | 7,153 | 10,032 | 20,695 |
| **Midwest Region** | | **41,813** | **3,583,511** | **27,186** | **205,440** | **94,888** | **171,208** | **532,023** |
| Aberdeen | (South Dakota) | 1,579 | 100,062 | 1 | 5,775 | 3,286 | 6,983 | 16,949 |
| Chicago | (See (b) below) | 8,375 | 862,965 | - | 50,188 | 17,025 | 29,910 | 192,194 |
| Des Moines | (Iowa) | 5,789 | 387,560 | - | 24,457 | 8,784 | 21,619 | 32,005 |
| Fargo | (North Dakota) | 1,841 | 99,371 | - | 6,864 | 2,558 | 7,593 | 16,846 |
| Milwaukee | (Wisconsin) | 6,879 | 535,406 | - | 31,036 | 22,532 | 23,621 | 56,140 |
| Omaha | (Nebraska) | 4,483 | 223,849 | - | 12,191 | 5,408 | 15,838 | 35,482 |
| St. Louis | (Missouri) | 4,521 | 569,709 | - | 21,752 | 15,995 | 23,765 | 56,835 |
| St. Paul | (Minnesota) | 4,181 | 459,858 | 27,185 | 32,451 | 10,557 | 27,466 | 98,988 |
| Springfield | (See (b) below) | 3,965 | 344,731 | - | 18,726 | 8,744 | 14,413 | 28,584 |
| **Southwest Region** | | **26,511** | **3,851,693** | **53,884** | **114,527** | **82,659** | **158,863** | **908,582** |
| Albuquerque | (New Mexico) | 758 | 148,369 | - | 3,957 | 2,964 | 6,160 | 21,976 |
| Austin | (See (f) below) | 6,272 | 912,656 | 27,615 | 25,211 | 24,943 | 30,443 | 426,553 |
| Cheyenne | (Wyoming) | 841 | 70,156 | - | 2,153 | 1,882 | 4,779 | 15,479 |
| Dallas | (See (f) below) | 4,257 | 760,818 | 26,269 | 23,285 | 11,650 | 34,581 | 142,752 |
| Denver | (Colorado) | 3,336 | 371,502 | - | 15,700 | 6,556 | 15,617 | 91,948 |
| Little Rock | (Arkansas) | 1,874 | 257,840 | - | 6,667 | 5,812 | 14,364 | 35,738 |
| New Orleans | (Louisiana) | 1,768 | 459,730 | - | 10,906 | 11,647 | 16,060 | 81,925 |
| Oklahoma City | (Oklahoma) | 3,266 | 350,277 | - | 10,268 | 9,325 | 17,923 | 68,753 |
| Wichita | (Kansas) | 4,137 | 320,335 | - | 16,380 | 7,680 | 18,736 | 45,458 |
| **Western Region** | | **28,378** | **4,806,520** | **72,416** | **256,389** | **77,583** | **189,480** | **1,342,378** |
| Anchorage | (Alaska) | 260 | 48,945 | - | 1,646 | 2,102 | 6,282 | 23,385 |
| Boise | (Idaho) | 659 | 117,441 | - | 4,790 | 3,175 | 8,679 | 24,050 |
| Helena | (Montana) | 1,817 | 112,543 | - | 5,340 | 4,349 | 9,940 | 28,941 |
| Honolulu | (Hawaii) | 1,597 | 104,717 | - | 7,432 | 1,539 | 2,643 | 25,446 |
| Los Angeles | (See (a) below) | 7,207 | 1,584,725 | 28,789 | 104,194 | 18,694 | 43,997 | 319,304 |
| Phoenix | (Arizona) | 1,902 | 266,311 | - | 9,533 | 5,829 | 9,825 | 80,194 |
| Portland | (Oregon) | 2,978 | 342,952 | 5 | 15,512 | 7,224 | 20,895 | 245,617 |
| Reno | (Nevada) | 590 | 90,977 | - | 2,701 | 2,065 | 6,737 | 27,112 |
| Salt Lake City | (Utah) | 1,443 | 146,719 | - | 4,992 | 2,088 | 7,298 | 37,215 |
| San Francisco | (See (a) below) | 7,311 | 1,177,601 | 22,661 | 79,065 | 21,391 | 44,689 | 391,769 |
| Seattle | (Washington) | 2,614 | 513,589 | 20,961 | 21,184 | 9,127 | 28,495 | 139,345 |
| **Office of International Operations** | | **379** | **191,884** | - | **768** | **614** | **1,160** | **20,839** |
| Puerto Rico | | 51 | 179,801 | - | 416 | 576 | 25 | 427 |
| Other | | 328 | 12,083 | - | 352 | 38 | 1,135 | 20,512 |
| **Totals for States not shown above** | | | | | | | | |
| | (a) California | 14,518 | 2,862,326 | 51,450 | 183,259 | 40,085 | 88,686 | 711,073 |
| | (b) Illinois | 12,340 | 1,207,696 | - | 68,914 | 25,769 | 44,323 | 220,778 |
| | (c) New York | 16,043 | 2,250,907 | - | 165,168 | 35,558 | 48,356 | 310,572 |
| | (d) Ohio | 8,590 | 1,092,536 | 43,850 | 50,350 | 24,781 | 45,410 | 258,875 |
| | (e) Pennsylvania | 7,354 | 1,178,645 | - | 56,562 | 25,648 | 49,396 | 132,656 |
| | (f) Texas | 10,529 | 1,673,474 | 53,684 | 48,496 | 36,593 | 65,024 | 569,305 |

Column Contents:
(8) Form 709.
(9) Includes Forms 940, 940PR, 941, 941PR & SS, 941E, 941M, 942, 942PR, 943, 943PR, CT–1, and CT–2.
(10) Includes Forms 990, 990PF, 990T, 990C, 5227, and 4720.
(11) Includes Forms 5501, 5500, 5500C, 5500K, 4848, 4848A, and 990P.
(12) Includes Forms 7, 8, 11, 4705, 4706, 4707, 4708, Alcohol Excise Tax Returns, and Tobacco Excise Tax Returns.
(13) Includes Forms 720, 720M, 730, 2290, 11B, 11C, and 4638.
(14) Includes Forms 1040X, 1120X, 2688, 4868, 7004, Tent. 1120L & M, 7005, 990AR, 4578, 5300 Series, 5329, 1041A, and 2438.

## Table 8.—Returns filed, examination coverage and results (1979)

| | Returns Filed | Returns Examined | | | | |
|---|---|---|---|---|---|---|
| | CY 1978 | Revenue Agents | Tax Auditors | Service Center | Total | Percent Coverage |
| **Individual, Total** | **67,338,611** | **288,769** | **1,356,311** | **199,907** | **1,844,988** | **2.11%** |
| Form 1040-Standard [1] | 28,749,451 | 8,538 | 171,701 | 11,747 | 191,986 | .67 |
| NB under $10,000-Itemized [2] [3] | 10,147,045 | 20,045 | 205,051 | 28,490 | 253,586 | 2.50 |
| NB $10,000 Under $15,000<br>NB $15,000 Under $50,000 | 12,627,936<br>24,227,838 | 17,119<br>54,560 | 210,829<br>561,713 | 56,637<br>87,751 | 284,585<br>704,024 | 2.25<br>2.91 |
| NB $50,000 and over | 966,659 | 60,206 | 40,247 | 1,534 | 101,989 | 10.55 |
| B Under $10,000 [4] | 4,043,915 | 33,504 | 95,323 | 3,790 | 132,617 | 3.28 |
| B $10,000 under $30,000 | 5,132,040 | 35,258 | 50,117 | 7,558 | 92,933 | 1.81 |
| B $30,000 and over | 1,443,728 | 59,536 | 21,330 | 2,400 | 83,266 | 5.77 |
| **Fiduciary** | **1,744,478** | **10,106** | **64** | | **10,170** | **.58** |
| **Partnership** | **1,195,186** | **30,326** | **148** | | **30,474** | **2.55** |
| **Corporation, Total** | **1,920,371** | **142,890** | **47** | | **142,937** | **7.44** |
| Assets not reported | 123,526 | 8,273 | 7 | | 8,280 | 6.70 |
| Under $100,000 [5] | 959,614 | 40,156 | 22 | | 40,178 | 4.19 |
| $100,000 under $1 Mil | 674,357 | 53,507 | 13 | | 53,520 | 7.94 |
| $1 Mil Under $10 Mil | 133,719 | 28,625 | 4 | | 28,629 | 21.41 |
| $10 Mil Under $100 Mil | 24,421 | 8,373 | - | | 8,373 | 34.29 |
| $100 Mil and over | 4,734 | 3,956 | 1 | | 3,957 | 83.59 |
| **Small Business Corp.** | **444,860** | **11,513** | **10** | | **11,523** | **2.59** |
| **Form 1120 Disc** | **7,776** | **1,433** | **2** | | **1,435** | **18.45** |
| **Estate, Total** | **158,045** | **27,040** | **2,192** | | **29,232** | **18.50** |
| Gross Estate Under $300,000 | 122,330 | 10,867 | 1,874 | | 12,741 | 10.42 |
| Gross Estate $300,000 and over | 35,715 | 16,173 | 318 | | 16,491 | 46.17 |
| **Gift** | **194,848** | **10,682** | **1,041** | | **11,723** | **6.02** |
| Income, Estate and Gift Total | 93,004,175 | 522,758 | 1,359,815 | 199,907 | 2,082,480 | 2.24 |
| **Excise** | **881,554** | **71,745** | **10,359** | | **82,104** | **9.31** |
| **Employment** | **25,592,993** | **84,799** | **24,220** | | **109,019** | **.43** |
| **Service Center Corrections** | | | | **496,434** | **496,434** | |

[1] Includes Form 1040 with standard deductions and Forms 1040A.
[2] Nonbusiness returns.
[3] Adjusted gross income.
[4] Business returns.
[5] Balance sheet assets.
Totals may not add due to rounding.



## Table 8.—Continued (1979)

| Recommended Additional Tax and Penalties [6] (In millions of dollars) | | | | Average Tax and Penalty per Return | | | No Change Percent [7] | | |
|---|---|---|---|---|---|---|---|---|---|
| Revenue Agents | Tax Auditors | Service Centers | Total | Revenue Agents | Tax Auditors | Service Centers | Revenue Agents | Tax Auditors | |
| **$1,344.3** | **$542.2** | **$35.1** | **$1,921.5** | **$4,655** | **$400** | **$176** | **12** | **24** | **Individual, Total** |
| 56.2 | 41.5 | 1.0 | 98.7 | 6,586 | 241 | 86 | 12 | 28 | Form 1040-Standard |
| 93.8 | 52.4 | 3.0 | 149.2 | 4,681 | 255 | 106 | 12 | 26 | NB under $10,000-Itemized |
| 75.1<br>115.4 | 62.1<br>225.1 | 7.2<br>19.3 | 144.4<br>359.9 | 4,385<br>2,116 | 294<br>401 | 127<br>220 | 11<br>10 | 22<br>23 | NB $10,000 Under $15,000<br>NB $15,000 Under $50,000 |
| 373.2 | 32.2 | .8 | 406.1 | 6,198 | 799 | 503 | 13 | 44 | NB $50,000 and over |
| 121.2 | 68.5 | .8 | 190.4 | 3,617 | 718 | 208 | 14 | 22 | B Under $10,000 |
| 95.5 | 34.3 | 1.7 | 131.6 | 2,710 | 685 | 225 | 11 | 19 | B $10,000 under $30,000 |
| 413.7 | 26.2 | 1.2 | 441.2 | 6,950 | 1,227 | 516 | 11 | 27 | B $30,000 and over |
| **104.8** | **-** | **-** | **104.9** | **10,375** | **81** | | **34** | **22** | **Fiduciary** |
| - | - | - | | - | - | | **44** | **29** | **Partnership** |
| **4,137.3** | **-** | **-** | **4,137.3** | **28,954** | **688** | | **25** | **40** | **Corporation, Total** |
| 80.4 | - | - | 80.4 | 9,721 | 1 | | 31 | 29 | Assets not reported |
| 60.9 | - | - | 61.0 | 1,518 | 1,350 | | 32 | 36 | Under $100,000 |
| 207.9 | - | - | 207.9 | 3,885 | 177 | | 25 | 54 | $100,000 under $1 Mil |
| 393.0 | - | - | 393.0 | 13,729 | - | | 19 | 50 | $1 Mil Under $10 Mil |
| 590.7 | - | - | 590.7 | 70,544 | - | | 11 | - | $10 Mil Under $100 Mil |
| 2,804.4 | - | - | 2,804.4 | 708,893 | 339 | | 4 | - | $100 Mil and over |
| **28.0** | **-** | **-** | **28.0** | **2,430** | **-** | | **39** | **80** | **Small Business Corp.** |
| **41.1** | **-** | **-** | **41.1** | **28,683** | **-** | | **37** | **-** | **Form 1120 Disc** |
| **543.4** | **5.7** | **-** | **549.1** | **20,096** | **2,585** | | **11** | **19** | **Estate, Total** |
| 98.6 | 4.5 | - | 103.1 | 9,070 | 2,424 | | 13 | 18 | Gross Estate Under $300,000 |
| 444.8 | 1.1 | - | 445.9 | 27,504 | 3,538 | | 10 | 22 | Gross Estate $300,000 and over |
| **133.1** | **1.2** | | **134.3** | **12,460** | **1,197** | | **21** | **25** | **Gift** |
| 6,332.0 | 549.1 | 35.1 | 6,916.2 | 12,113 | 404 | 176 | 19 | 24 | Income, Estate and Gift Total |
| **67.8** | **1.6** | **-** | **69.4** | **897** | **151** | | **22** | **14** | **Excise** |
| **85.6** | **6.4** | **-** | **92.0** | **1,009** | **263** | | **33** | **29** | **Employment** |
| | | **119.2** | **119.2** | | | **240** | | | **Service Center Corrections** |

[6] The recommended additional tax and penalties for 1979 reflect the amounts recommended by examiners at the conclusion of the examination. The recommended amounts for 1978 are the amounts recommended after taxpayers' appeals of the examiners' recommendations in district conferences and prior to an appeal with the Appellate Division. For 1979 the Service established a one-level of appeal system and eliminated district conferences.
[7] Service center no change rate by class is not available. No change resulted in 33 percent of service center examinations.

## Table 9.—Returns filed, examination coverage and results (1978)

| | Returns Filed | Returns Examined | | | | |
|---|---|---|---|---|---|---|
| | CY 1977 | Revenue Agents | Tax Auditors | Service Center | Total | Percent Coverage |
| **Individual, Total** | **85,623,810** | **306,433** | **1,369,419** | **169,390** | **1,845,242** | **2.16** |
| Form 1040-Standard [1] | 27,901,848 | 7,882 | 171,303 | 6,959 | 186,144 | .67 |
| NB under $10,000-Itemized [2] [3] | 11,992,130 | 20,823 | 286,824 | 40,337 | 347,984 | 2.90 |
| NB $10,000 Under $15,000 | 12,853,606 | 21,416 | 267,575 | 45,826 | 334,817 | 2.60 |
| NB $15,000 Under $50,000 | 21,646,283 | 49,322 | 458,369 | 63,539 | 571,230 | 2.64 |
| NB $50,000 and over | 799,885 | 59,493 | 22,675 | 1,047 | 83,215 | 10.40 |
| B Under $10,000 [4] | 4,311,616 | 39,071 | 98,497 | 3,677 | 141,245 | 3.28 |
| B $10,000 under $30,000 | 4,910,803 | 46,934 | 46,654 | 6,319 | 99,907 | 2.03 |
| B $30,000 and over | 1,207,639 | 61,492 | 17,522 | 1,686 | 80,700 | 6.68 |
| **Fiduciary** | **1,675,691** | **11,499** | **43** | | **11,542** | **.69** |
| **Partnership** | **1,133,283** | **27,579** | **249** | | **27,828** | **2.44** |
| **Corporation, Total** | **1,832,364** | **147,273** | **67** | | **147,340** | **8.01** |
| Assets not reported | 118,917 | 7,249 | 8 | | 7,257 | 6.10 |
| Under $100,000 [5] | 932,066 | 35,625 | 31 | | 35,656 | 3.83 |
| $100,000 under $1 Mil | 642,425 | 59,466 | 19 | | 59,485 | 9.26 |
| $1 Mil Under $10 Mil | 119,188 | 32,133 | 9 | | 32,142 | 26.97 |
| $10 Mil Under $100 Mil | 22,592 | 9,521 | | | 9,521 | 42.14 |
| $100 Mil and over | 4,176 | 3,279 | | | 3,279 | 78.52 |
| **Small Business Corp.** | **425,287** | **11,569** | **42** | | **11,611** | **2.73** |
| **Form 1120 Disc** | **6,611** | **1,523** | | | **1,523** | **23.04** |
| **Estate, Total** | **222,342** | **29,902** | **3,514** | | **33,416** | **15.03** |
| Gross Estate Under $300,000 | 193,438 | 14,266 | 3,124 | | 17,390 | 8.99 |
| Gross Estate $300,000 and over | 28,904 | 15,636 | 390 | | 16,026 | 55.45 |
| **Gift** | **348,916** | **9,884** | **1,743** | | **11,627** | **3.33** |
| Income, Estate and Gift Total | 91,280,306 | 545,662 | 1,375,077 | 169,390 | 2,090,129 | 2.29 |
| **Excise** | **913,728** | **81,110** | **14,796** | | **95,906** | **10.50** |
| **Employment** | **25,079,309** | **101,481** | **41,294** | | **142,775** | **.57** |
| **Service Center Corrections** | | | | **493,783** | **493,783** | |

[1] Includes Form 1040 with standard deductions and Forms 1040A.
[2] Nonbusiness returns.
[3] Adjusted gross income.
[4] Business returns.
[5] Balance sheet assets.
Totals may not add due to rounding.



## Table 9.—Continued (1978)

| Recommended Additional Tax and Penalties [6] (In millions of dollars) | | | | Average Tax and Penalty per Return | | | No Change Percent [7] | | |
|---|---|---|---|---|---|---|---|---|---|
| Revenue Agents | Tax Auditors | Service Centers | Total | Revenue Agents | Tax Auditors | Service Centers | Revenue Agents | Tax Auditors | |
| **$1,194.4** | **$440.8** | **25.7** | **1,660.9** | **3,898** | **322** | **152** | **13** | **28** | **Individual, Total** |
| 38.9 | 35.9 | .7 | 75.4 | 4,931 | 209 | 100 | 12 | 32 | Form 1040-Standard |
| 94.6 | 58.8 | 3.8 | 157.2 | 4,542 | 205 | 95 | 12 | 28 | NB under $10,000-Itemized |
| 93.7 | 83.3 | 6.3 | 183.3 | 4,375 | 311 | 138 | 12 | 19 | NB $10,000 Under $15,000 |
| 71.7 | 138.9 | 11.2 | 221.8 | 1,453 | 303 | 176 | 11 | 27 | NB $15,000 Under $50,000 |
| 287.4 | 20.3 | .6 | 308.2 | 4,830 | 893 | 570 | 15 | 35 | NB $50,000 and over |
| 122.1 | 56.5 | .8 | 179.4 | 3,125 | 574 | 216 | 15 | 25 | B Under $10,000 |
| 91.6 | 29.7 | 1.5 | 122.7 | 1,951 | 636 | 240 | 13 | 19 | B $10,000 under $30,000 |
| 394.5 | 17.6 | .7 | 412.8 | 6,416 | 1,003 | 432 | 14 | 27 | B $30,000 and over |
| **44.9** | | | **44.9** | **3,905** | **335** | | **34** | **26** | **Fiduciary** |
| | | | | | | | **55** | **35** | **Partnership** |
| **3,299.2** | | | **3,299.2** | **22,402** | **563** | | **23** | **33** | **Corporation, Total** |
| 138.4 | | | 138.4 | 19,087 | 269 | | 19 | 38 | Assets not reported |
| 47.4 | | | 47.4 | 1,331 | 605 | | 31 | 35 | Under $100,000 |
| 200.0 | | | 200.0 | 3,363 | 700 | | 24 | 37 | $100,000 under $1 Mil |
| 380.9 | | | 380.9 | 11,855 | 391 | | 20 | 11 | $1 Mil Under $10 Mil |
| 457.8 | | | 457.8 | 48,078 | - | | 12 | - | $10 Mil Under $100 Mil |
| 2,074.7 | | | 2,074.7 | 632,734 | - | | 6 | - | $100 Mil and over |
| **28.0** | | | **28.0** | **2,417** | **-** | | **44** | **26** | **Small Business Corp.** |
| **2.9** | | | **2.9** | **1,902** | **-** | | **45** | **-** | **Form 1120 Disc** |
| **626.7** | **5.5** | | **632.1** | **20,958** | **1,552** | | **12** | **19** | **Estate, Total** |
| 126.4 | 4.4 | | 130.9 | 8,863 | 1,422 | | 13 | 20 | Gross Estate Under $300,000 |
| 500.3 | 1.0 | | 501.3 | 31,994 | 2,593 | | 11 | 11 | Gross Estate $300,000 and over |
| **77.1** | **1.6** | | **78.7** | **7,802** | **912** | | **23** | **31** | **Gift** |
| 5,273.1 | 447.9 | 25.7 | 5,746.7 | 9,664 | 326 | 152 | 19 | 26 | Income, Estate and Gift Total |
| **139.1** | **2.3** | | **141.4** | **1,707** | **158** | | **23** | **9** | **Excise** |
| **231.1** | **16.6** | | **247.8** | **2,277** | **401** | | **12** | **9** | **Employment** |
| | | **124.4** | **124.4** | | | **252** | | | **Service Center Corrections** |

[6] The recommended additional tax and penalties for 1979 reflect the amounts recommended by examiners at the conclusion of the examination. The recommended amounts for 1978 are the amounts recommended after taxpayers' appeals of the examiners' recommendations in district conferences and prior to an appeal with the Appellate Division. For 1979 the Service established a one-level of apppeal system and eliminated district conferences.
[7] Service center no change percent by class is not available. No changes resulted in 31 percent of service center examinations.

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

| Region, service center, and district | Total | Individual | Partnership | Fiduciary | Corporation | Subchapter S Corporation | Estate | Gift | Excise | Employment | Exempt Organization | Employee Plans |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total | 2,320,383 | 1,844,986 | 30,474 | 10,170 | 142,837 | 12,858 | 20,232 | 11,723 | 81,845 | 109,019 | 22,371 | 24,568 |
| North-Atlantic | 345,044 | 271,057 | 3,299 | 1,868 | 34,513 | 2,343 | 6,268 | 2,247 | 11,229 | 13,808 | 4,049 | 3,796 |
| Mid-Atlantic | 274,273 | 214,195 | 3,543 | 1,049 | 18,042 | 1,494 | 3,385 | 1,199 | 8,069 | 13,556 | 2,599 | 5,534 |
| Southeast | 350,875 | 284,274 | 3,484 | 1,290 | 19,934 | 1,941 | 3,513 | 1,927 | 13,450 | 15,316 | 2,835 | 1,811 |
| Central | 221,588 | 184,833 | 3,194 | 945 | 17,760 | 1,828 | 3,527 | 1,279 | 8,934 | 11,818 | 2,487 | 5,203 |
| Midwest | 294,184 | 206,980 | 4,931 | 1,872 | 22,251 | 2,194 | 4,109 | 2,506 | 14,831 | 18,413 | 4,377 | 2,830 |
| Southwest | 258,500 | 193,954 | 5,071 | 1,057 | 17,657 | 1,478 | 3,039 | 1,212 | 13,041 | 18,140 | 2,709 | 1,144 |
| Western | 567,819 | 495,041 | 6,976 | 1,674 | 22,137 | 1,868 | 5,093 | 1,281 | 11,330 | 14,833 | 3,236 | 4,250 |
| International Operations | 18,300 | 15,172 | 6 | 15 | 633 | 14 | 288 | 73 | 64 | 2,035 | - | - |
| North-Atlantic Region: | | | | | | | | | | | | |
| Albany | 13,592 | 10,959 | 152 | 36 | 1,030 | 100 | 256 | 91 | 498 | 470 | - | - |
| Augusta | 6,556 | 4,425 | 55 | 57 | 625 | 52 | 106 | 27 | 600 | 609 | - | - |
| Boston | 45,199 | 30,794 | 616 | 401 | 4,236 | 284 | 851 | 220 | 2,206 | 3,090 | 1,603 | 896 |
| Brooklyn | 88,441 | 75,700 | 580 | 134 | 4,036 | 670 | 1,325 | 432 | 1,908 | 1,511 | 1,017 | 1,128 |
| Buffalo | 28,900 | 20,280 | 502 | 253 | 2,623 | 189 | 815 | 275 | 1,927 | 2,036 | - | - |
| Burlington | 4,092 | 3,241 | 56 | 15 | 295 | 29 | 51 | 6 | 137 | 260 | - | - |
| Hartford | 28,880 | 21,210 | 528 | 366 | 2,501 | 310 | 991 | 383 | 948 | 1,683 | - | - |
| Manhattan | 75,999 | 54,939 | 650 | 533 | 7,758 | 611 | 1,649 | 772 | 2,474 | 3,412 | 1,429 | 1,772 |
| Portsmouth | 6,026 | 4,455 | 53 | 44 | 584 | 51 | 102 | 23 | 257 | 457 | - | - |
| Providence | 5,888 | 4,183 | 77 | 29 | 825 | 47 | 122 | 36 | 269 | 300 | - | - |
| Andover Service Center | 15,077 | 15,077 | - | - | - | - | - | - | - | - | - | - |
| Brookhaven Service Center | 26,394 | 26,394 | - | - | - | - | - | - | - | - | - | - |
| Mid-Atlantic Region: | | | | | | | | | | | | |
| Baltimore | 53,322 | 39,780 | 487 | 162 | 2,619 | 206 | 521 | 354 | 1,479 | 3,282 | 1,346 | 3,086 |
| Newark | 76,740 | 60,117 | 1,009 | 440 | 5,352 | 576 | 1,259 | 221 | 1,962 | 3,933 | 506 | 1,345 |
| Philadelphia | 59,549 | 46,459 | 780 | 593 | 4,914 | 309 | 602 | 239 | 2,008 | 1,796 | 746 | 1,103 |
| Pittsburgh | 30,771 | 22,553 | 505 | 211 | 2,201 | 176 | 534 | 185 | 1,659 | 2,747 | - | - |
| Richmond | 39,265 | 32,318 | 704 | 154 | 2,401 | 193 | 363 | 165 | 1,650 | 1,317 | - | - |
| Wilmington | 5,216 | 3,558 | 58 | 89 | 555 | 34 | 116 | 34 | 291 | 481 | - | - |
| Philadelphia Service Center | 9,410 | 9,410 | - | - | - | - | - | - | - | - | - | - |
| Southeast Region: | | | | | | | | | | | | |
| Atlanta | 52,378 | 40,018 | 654 | 230 | 2,961 | 311 | 389 | 403 | 1,981 | 2,741 | 1,750 | 940 |
| Birmingham | 35,919 | 29,979 | 351 | 113 | 1,770 | 147 | 191 | 287 | 1,282 | 1,799 | - | - |
| Columbia | 20,499 | 17,067 | 248 | 69 | 1,242 | 115 | 187 | 70 | 453 | 1,038 | - | - |
| Greensboro | 47,544 | 35,007 | 528 | 198 | 4,684 | 275 | 476 | 241 | 3,006 | 3,129 | - | - |
| Jackson | 21,592 | 17,785 | 278 | 50 | 1,138 | 102 | 227 | 139 | 923 | 950 | - | - |
| Jacksonville | 93,875 | 73,289 | 972 | 483 | 5,708 | 841 | 1,736 | 550 | 4,356 | 3,884 | 1,185 | 871 |
| Nashville | 32,878 | 24,939 | 453 | 147 | 2,431 | 150 | 307 | 237 | 1,439 | 2,775 | - | - |
| Atlanta Service Center | 21,247 | 21,247 | - | - | - | - | - | - | - | - | - | - |
| Memphis Service Center | 24,943 | 24,943 | - | - | - | - | - | - | - | - | - | - |
| Central Region: | | | | | | | | | | | | |
| Cincinnati | 34,509 | 22,340 | 594 | 247 | 2,801 | 217 | 541 | 212 | 1,470 | 2,448 | 1,169 | 2,470 |
| Cleveland | 39,773 | 26,809 | 510 | 102 | 4,169 | 231 | 983 | 333 | 2,292 | 1,906 | 723 | 1,715 |
| Detroit | 72,806 | 56,235 | 1,080 | 283 | 5,991 | 435 | 814 | 381 | 2,244 | 3,752 | 575 | 1,018 |
| Indianapolis | 33,149 | 24,775 | 452 | 202 | 2,119 | 621 | 648 | 165 | 2,076 | 2,081 | - | - |
| Louisville | 19,978 | 15,105 | 421 | 60 | 1,769 | 248 | 381 | 112 | 629 | 1,253 | - | - |
| Parkersburg | 8,354 | 6,352 | 127 | 51 | 911 | 76 | 160 | 76 | 223 | 378 | - | - |
| Cincinnati Service Center | 13,017 | 13,017 | - | - | - | - | - | - | - | - | - | - |
| Midwest Region: | | | | | | | | | | | | |
| Aberdeen | 4,828 | 3,846 | 78 | 17 | 303 | 58 | 79 | 70 | 218 | 459 | - | - |
| Chicago | 91,696 | 66,629 | 1,795 | 381 | 7,217 | 662 | 845 | 550 | 4,942 | 4,922 | 984 | 769 |
| Des Moines | 25,967 | 17,239 | 439 | 247 | 2,150 | 286 | 461 | 371 | 2,633 | 2,141 | - | - |
| Fargo | 4,477 | 3,389 | 92 | 26 | 256 | 60 | 97 | 78 | 151 | 328 | - | - |
| Milwaukee | 28,454 | 19,237 | 602 | 271 | 3,238 | 209 | 551 | 253 | 2,326 | 1,767 | - | - |
| Omaha | 13,718 | 9,187 | 325 | 121 | 1,095 | 160 | 332 | 243 | 1,054 | 1,201 | - | - |
| St. Louis | 41,626 | 29,256 | 542 | 240 | 3,271 | 274 | 610 | 389 | 946 | 2,958 | 1,681 | 1,259 |
| St. Paul | 40,272 | 28,321 | 608 | 219 | 2,969 | 319 | 621 | 247 | 1,214 | 3,420 | 1,512 | 802 |
| Springfield | 18,160 | 12,270 | 450 | 150 | 1,742 | 166 | 513 | 305 | 1,347 | 1,217 | - | - |
| Kansas City Service Center | 14,886 | 14,886 | - | - | - | - | - | - | - | - | - | - |
| Southwest Region: | | | | | | | | | | | | |
| Albuquerque | 8,859 | 6,829 | 163 | 19 | 621 | 46 | 56 | 17 | 583 | 525 | - | - |
| Austin | 55,286 | 40,595 | 1,146 | 226 | 4,220 | 277 | 743 | 313 | 2,001 | 3,508 | 1,612 | 647 |
| Cheyenne | 4,000 | 2,875 | 109 | 13 | 418 | 66 | 58 | 42 | 263 | 156 | - | - |
| Dallas | 59,930 | 44,568 | 1,482 | 333 | 4,040 | 255 | 708 | 248 | 2,461 | 4,241 | 1,097 | 497 |
| Denver | 21,781 | 15,477 | 635 | 140 | 1,756 | 191 | 192 | 101 | 1,479 | 1,810 | - | - |
| Little Rock | 16,468 | 12,020 | 223 | 54 | 1,159 | 108 | 178 | 88 | 1,237 | 1,401 | - | - |
| New Orleans | 29,434 | 23,513 | 360 | 44 | 2,044 | 201 | 311 | 88 | 1,322 | 1,551 | - | - |
| Oklahoma City | 23,470 | 17,037 | 477 | 122 | 1,804 | 146 | 397 | 98 | 1,151 | 2,238 | - | - |
| Wichita | 22,468 | 14,256 | 476 | 106 | 1,595 | 186 | 396 | 217 | 2,544 | 2,712 | - | - |
| Austin Service Center | 16,784 | 16,784 | - | - | - | - | - | - | - | - | - | - |
| Western Region: | | | | | | | | | | | | |
| Anchorage | 7,974 | 6,741 | 82 | 14 | 275 | 29 | 45 | 32 | 434 | 322 | - | - |
| Boise | 9,533 | 6,987 | 194 | 31 | 607 | 76 | 106 | 45 | 905 | 582 | - | - |
| Helena | 7,811 | 5,830 | 184 | 39 | 568 | 61 | 105 | 42 | 514 | 468 | - | - |
| Honolulu | 10,143 | 8,185 | 229 | 35 | 818 | 43 | 91 | 40 | 294 | 438 | - | - |
| Los Angeles | 254,526 | 228,543 | 2,624 | 606 | 8,343 | 597 | 2,087 | 338 | 2,855 | 4,748 | 1,253 | 2,532 |
| Phoenix | 26,390 | 21,916 | 343 | 128 | 1,445 | 112 | 280 | 86 | 576 | 1,506 | - | - |
| Portland | 18,273 | 13,635 | 512 | 84 | 1,601 | 165 | 255 | 126 | 738 | 1,157 | - | - |
| Reno | 14,416 | 11,978 | 168 | 37 | 606 | 53 | 60 | 69 | 791 | 654 | - | - |
| Salt Lake City | 12,488 | 10,460 | 181 | 46 | 645 | 90 | 83 | 42 | 387 | 554 | - | - |
| San Francisco | 114,265 | 97,914 | 2,060 | 470 | 4,760 | 276 | 1,552 | 364 | 2,333 | 2,597 | 1,025 | 914 |
| Seattle | 33,680 | 24,732 | 399 | 186 | 2,469 | 166 | 429 | 97 | 1,533 | 1,907 | 958 | 804 |
| Ogden Service Center | 18,957 | 18,957 | - | - | - | - | - | - | - | - | - | - |
| Fresno Service Center | 39,163 | 39,163 | - | - | - | - | - | - | - | - | - | - |



**Table 11.—Additional tax and penalties recommended after examination by class of tax, and by internal revenue regions, districts and other areas** (In thousands of dollars)

| Region, service center, and district | Total | Individual | Fiduciary | Corporation | Subchapter S Corporation | Estate | Gift | Excise | Employment | Exempt Organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| Total | 7,206,881 | 2,040,695 | 104,850 | 4,137,321 | 98,082 | 549,056 | 134,347 | 65,829 | 91,878 | 13,721 |
| North-Atlantic | 1,610,462 | 333,630 | 3,857 | 1,196,949 | 23,475 | 62,518 | 13,831 | 5,257 | 11,005 | 540 |
| Mid-Atlantic | 909,962 | 242,268 | 40,527 | 539,069 | 11,482 | 45,389 | 12,082 | 5,484 | 12,891 | 780 |
| Southeast | 822,396 | 336,501 | 41,161 | 306,234 | 14,287 | 80,037 | 14,251 | 10,005 | 14,782 | 5,098 |
| Central | 751,771 | 192,161 | 1,934 | 432,154 | 4,479 | 89,112 | 10,234 | 14,128 | 6,871 | 700 |
| Midwest | 678,382 | 214,243 | 4,184 | 557,029 | 1,412 | 62,397 | 15,753 | 6,838 | 12,865 | 1,691 |
| Southwest | 902,968 | 237,982 | 8,146 | 472,968 | 6,085 | 102,796 | 41,640 | 17,586 | 14,446 | 401 |
| Western | 1,264,069 | 465,475 | 5,060 | 650,009 | 7,267 | 83,039 | 25,542 | 6,388 | 15,778 | 4,611 |
| International Operations | 89,671 | 18,435 | 1 | 42,501 | 595 | 3,770 | 114 | 85 | 3,370 | - |
| North-Atlantic Region: | | | | | | | | | | |
| Albany | 34,428 | 10,675 | 16 | 18,965 | 747 | 2,323 | 1,289 | 161 | 252 | - |
| Augusta | 14,478 | 3,419 | 16 | 8,793 | 500 | 1,377 | 156 | 88 | 129 | - |
| Boston | 212,607 | 52,734 | 415 | 141,028 | 3,166 | 7,571 | 886 | 2,101 | 4,499 | 207 |
| Brooklyn | 129,347 | 58,271 | 977 | 47,991 | 320 | 18,572 | 1,492 | 507 | 1,064 | 153 |
| Buffalo | 200,898 | 19,933 | 135 | 157,842 | 15,498 | 5,497 | 729 | 403 | 861 | - |
| Burlington | 8,409 | 2,463 | 11 | 5,442 | * | 335 | 66 | 28 | 64 | - |
| Hartford | 181,874 | 22,412 | 451 | 144,200 | 58 | 11,508 | 1,470 | 806 | 969 | - |
| Manhattan | 764,891 | 116,622 | 1,808 | 600,371 | 3,182 | 33,119 | 6,383 | 957 | 2,269 | 180 |
| Portsmouth | 13,855 | 6,434 | 14 | 5,516 | * | 889 | 216 | 25 | 761 | - |
| Providence | 13,709 | 4,701 | 14 | 8,202 | 4 | 1,326 | 1,144 | 181 | 137 | - |
| Andover Service Center | 12,216 | 12,216 | - | - | - | - | - | - | - | - |
| Brookhaven Service Center | 23,750 | 23,750 | - | - | - | - | - | - | - | - |
| Mid-Atlantic Region: | | | | | | | | | | |
| Baltimore | 122,163 | 42,203 | 179 | 53,115 | 3,670 | 12,167 | 8,631 | 548 | 1,085 | 565 |
| Newark | 165,484 | 60,441 | 350 | 81,207 | 320 | 13,874 | 453 | 874 | 7,778 | 187 |
| Philadelphia | 211,099 | 55,738 | 32,184 | 107,105 | 5,325 | 5,527 | 718 | 3,049 | 1,415 | 38 |
| Pittsburgh | 207,069 | 32,990 | 7,619 | 157,643 | 1,660 | 4,319 | 924 | 453 | 1,467 | - |
| Richmond | 112,681 | 36,886 | 178 | 65,070 | 52 | 7,831 | 1,122 | 522 | 920 | - |
| Wilmington | 81,278 | 3,722 | 18 | 74,919 | 455 | 1,671 | 233 | 38 | 222 | - |
| Philadelphia Service Center | 10,188 | 10,188 | - | - | - | - | - | - | - | - |
| Southeast Region: | | | | | | | | | | |
| Atlanta | 148,752 | 44,061 | 932 | 72,513 | 399 | 18,569 | 5,177 | 4,291 | 1,310 | 1,500 |
| Birmingham | 66,374 | 23,698 | 147 | 30,349 | 141 | 9,104 | 1,279 | 960 | 696 | - |
| Columbia | 34,708 | 15,220 | 43 | 13,320 | 1,985 | 2,151 | 700 | 897 | 392 | - |
| Greensboro | 84,918 | 33,372 | 594 | 40,050 | 561 | 6,181 | 1,158 | 1,436 | 1,586 | - |
| Jackson | 53,615 | 16,403 | 214 | 23,235 | 7,888 | 3,503 | 1,233 | 243 | 796 | - |
| Jacksonville | 318,517 | 140,641 | 38,768 | 86,094 | 2,968 | 33,093 | 3,656 | 1,475 | 8,204 | 3,598 |
| Nashville | 61,513 | 29,108 | 464 | 40,673 | 324 | 7,355 | 1,047 | 764 | 1,778 | - |
| Atlanta Service Center | 17,665 | 17,665 | - | - | - | - | - | - | - | - |
| Memphis Service Center | 16,332 | 16,332 | - | - | - | - | - | - | - | - |
| Central Region: | | | | | | | | | | |
| Cincinnati | 107,129 | 25,067 | 411 | 62,894 | 269 | 12,739 | 2,800 | 1,331 | 1,236 | 382 |
| Cleveland | 173,755 | 29,585 | 89 | 114,299 | 1,457 | 17,911 | 1,948 | 7,190 | 1,627 | 149 |
| Detroit | 247,285 | 67,132 | 622 | 161,826 | 811 | 11,154 | 2,238 | 1,766 | 1,565 | 169 |
| Indianapolis | 119,260 | 30,137 | 506 | 43,790 | 766 | 37,793 | 2,194 | 3,467 | 607 | - |
| Louisville | 99,073 | 20,088 | 234 | 38,556 | 372 | 7,687 | 389 | 132 | 1,615 | - |
| Parkersburg | 24,107 | 9,485 | 72 | 10,789 | 805 | 1,829 | 667 | 239 | 221 | - |
| Cincinnati Service Center | 11,168 | 11,168 | - | - | - | - | - | - | - | - |
| Midwest Region: | | | | | | | | | | |
| Aberdeen | 6,471 | 3,733 | * | 818 | * | 1,445 | 297 | 27 | 151 | - |
| Chicago | 349,279 | 65,770 | 970 | 254,357 | 322 | 15,291 | 5,976 | 1,983 | 4,500 | 110 |
| Des Moines | 50,547 | 17,497 | 227 | 23,182 | 122 | 8,312 | 1,277 | 953 | 977 | - |
| Fargo | 8,319 | 3,149 | 70 | 3,552 | 23 | 1,229 | 213 | 6 | 77 | - |
| Milwaukee | 91,441 | 19,375 | 381 | 63,432 | 215 | 5,002 | 932 | 749 | 1,355 | - |
| Omaha | 41,102 | 11,028 | 1,542 | 20,231 | 41 | 5,841 | 960 | 1,102 | 357 | - |
| St. Louis | 125,488 | 34,974 | 293 | 71,671 | 147 | 10,237 | 2,713 | 580 | 3,529 | 1,144 |
| St. Paul | 120,762 | 25,284 | 163 | 84,110 | 477 | 6,979 | 992 | 1,077 | 1,253 | 427 |
| Springfield | 67,270 | 17,730 | 517 | 35,475 | 66 | 10,061 | 2,394 | 361 | 666 | - |
| Kansas City Service Center | 15,704 | 15,704 | - | - | - | - | - | - | - | - |
| Southwest Region: | | | | | | | | | | |
| Albuquerque | 12,352 | 6,642 | 11 | 3,523 | 5 | 1,554 | 381 | 84 | 152 | - |
| Austin | 301,438 | 52,699 | 4,180 | 165,867 | 201 | 44,697 | 24,737 | 6,179 | 2,726 | 152 |
| Cheyenne | 14,120 | 4,074 | 2 | 1,281 | * | 2,374 | 6,300 | 53 | 36 | - |
| Dallas | 192,722 | 62,361 | 3,487 | 84,226 | 642 | 26,286 | 6,236 | 3,326 | 5,909 | 249 |
| Denver | 57,856 | 16,876 | 131 | 30,061 | 2,763 | 3,829 | 527 | 2,929 | 740 | - |
| Little Rock | 42,617 | 13,553 | 118 | 23,944 | * | 2,934 | 989 | 819 | 260 | - |
| New Orleans | 120,198 | 26,529 | 63 | 80,927 | 2,156 | 6,217 | 296 | 2,919 | 1,091 | - |
| Oklahoma City | 79,782 | 26,293 | 78 | 40,716 | 142 | 8,872 | 1,555 | 699 | 1,427 | - |
| Wichita | 68,410 | 15,480 | 77 | 43,441 | 177 | 6,032 | 519 | 578 | 2,106 | - |
| Austin Service Center | 13,475 | 13,475 | - | - | - | - | - | - | - | - |
| Western Region: | | | | | | | | | | |
| Anchorage | 16,674 | 8,184 | * | 6,080 | 26 | 692 | 439 | 481 | 772 | - |
| Boise | 17,082 | 8,715 | 23 | 4,868 | 5 | 2,371 | 207 | 198 | 695 | - |
| Helena | 27,590 | 5,266 | 170 | 20,318 | 147 | 1,146 | 157 | 164 | 222 | - |
| Honolulu | 20,499 | 6,615 | 8 | 11,605 | 5 | 1,124 | 733 | 33 | 176 | - |
| Los Angeles | 465,611 | 183,386 | 1,582 | 240,442 | 333 | 31,357 | 15,581 | 1,535 | 7,303 | 4,092 |
| Phoenix | 54,413 | 26,897 | 46 | 22,689 | 66 | 2,968 | 346 | 222 | 1,179 | - |
| Portland | 67,197 | 16,398 | 29 | 40,125 | 617 | 4,968 | 4,138 | 254 | 668 | - |
| Reno | 61,848 | 36,277 | 92 | 22,528 | 239 | 1,276 | 374 | 769 | 293 | - |
| Salt Lake City | 22,345 | 11,493 | 85 | 9,247 | 52 | 508 | 454 | 141 | 365 | - |
| San Francisco | 355,732 | 94,308 | 2,593 | 230,248 | 5,695 | 15,835 | 2,446 | 1,671 | 2,707 | 229 |
| Seattle | 102,265 | 34,922 | 433 | 41,859 | 82 | 20,792 | 1,668 | 921 | 1,398 | 190 |
| Ogden Service Center | 12,786 | 12,786 | - | - | - | - | - | - | - | - |
| Fresno Service Center | 20,030 | 20,030 | - | - | - | - | - | - | - | - |

*Less than $500.00.

## Table 12.—Returns examined

| Income, Estate and Gift | 1978 | 1979 |
|---|---|---|
| Number of returns examined by Examination Division | 2,328,812 | 2,273,603 |
| Returns with adjustments proposed by Examination Division | 1,780,029 | 1,727,042 |
| Returns without adjustments proposed by Examination Division | 548,783 | 546,561 |
| Disposition of Examined Returns: | 2,328,812 | 2,273,603 |
| Agreed, Paid or Defaulted | 2,185,343 | 2,093,912 |
| Transferred to Regional Appeals Office | 47,767 | **93,798 |
| Petitioned Statutory Notices | 14,884 | 16,954 |
| Other * | 80,818 | 68,939 |

*Includes Quick Assessments and Cases Transferred to Justice Department.
**Increase in the number trasferred to Regional Appeals Offices was due, in part, to the establishment of a one level of appeals system on October 1, 1979.

## Table 13.—Results of collection activity

| | 1978 | 1979 |
|---|---|---|
| **Taxpayer Delinquent Accounts:** | | |
| Opening Inventory | 843,668 | 886,154 |
| Issuances | 2,054,999 | 2,335,368 |
| Dispositions | 2,012,513 | 2,149,188 |
| Closing Inventory: | | |
| (a) Number of accounts | 886,154 | 1,072,334 |
| (b) Balance of assessed tax, penalty and interest | 2,356,216,794 | 2,912,774,109 |
| **Delinquent Return Investigations:** | | |
| Opening Inventory | 356,997 | 412,199 |
| Issuances | 1,459,807 | 1,312,016 |
| Dispositions | 1,406,605 | 1,278,411 |
| Closing Inventory | 412,199 | 445,804 |
| **Miscellaneous Investigations Closed** | **183,107** | **161,306** |
| **Offers in Compromise Processed** | **2,335** | **2,016** |
| **Enforcement Activity:** | | |
| Notices of Federal Tax Lien Filed | 348,480 | 371,357 |
| Notices of Levy Served Upon Third Parties | 444,912 | 465,059 |
| Seizures of Property Made | 5,104 | 5,723 |



## Table 14.–Civil penalties assessed and abated
(In thousands of dollars)

| | Assessments | | Abatements | | Net Penalties | |
|---|---|---|---|---|---|---|
| | Number | Amount | Number | Amount | Number | Amount |
| **Individual** | | | | | | |
| Delinquency | 946,219 | 165,925 | 113,409 | 30,010 | 832,810 | 135,914 |
| Estimated Tax | 3,644,979 | 233,134 | 160,123 | 20,198 | 3,484,856 | 212,936 |
| Failure to Pay | 4,706,781 | 114,244 | 488,510 | 11,212 | 4,218,271 | 103,032 |
| Bad Check | 110,356 | 934 | 2,560 | 144 | 107,796 | 791 |
| Fraud | 6,818 | 28,086 | 317 | 2,525 | 6,501 | 25,562 |
| Negligence | 83,341 | 10,410 | 1,492 | 1,117 | 81,849 | 9,293 |
| Other [1] | 7,509 | 557 | 386 | 26 | 7,123 | 530 |
| **Totals** | **9,506,003** | **553,290** | **766,797** | **65,232** | **8,739,206** | **488,058** |
| **Corporation [2]** | | | | | | |
| Delinquency | 109,224 | 85,552 | 19,939 | 55,308 | 89,285 | 30,244 |
| Estimated Tax | 168,965 | 67,687 | 15,430 | 38,576 | 153,535 | 29,111 |
| Failure to Pay | 170,044 | 51,024 | 42,835 | 30,075 | 127,409 | 20,949 |
| Federal Tax Deposits | 56 | 21 | 3 | 1 | 53 | 20 |
| Bad Check | 1,987 | 63 | 112 | 13 | 1,875 | 50 |
| Fraud | 467 | 10,307 | 43 | 976 | 424 | 9,331 |
| Negligence | 3,123 | 3,759 | 85 | 114 | 3,038 | 3,646 |
| Miscellaneous | 138 | 428 | 2 | 62 | 138 | 366 |
| **Totals** | **454,004** | **218,842** | **78,249** | **125,124** | **375,755** | **93,717** |
| **Employment [3]** | | | | | | |
| Delinquency | 2,248,474 | 228,390 | 151,606 | 38,930 | 2,096,868 | 189,460 |
| Miscellaneous | 675 | 152 | 621 | 57 | 54 | 95 |
| Failure to Pay | 2,495,266 | 67,164 | 375,157 | 14,732 | 2,120,109 | 52,432 |
| Federal Tax Deposits | 2,620,306 | 348,789 | 209,991 | 67,661 | 2,410,317 | 281,129 |
| Bad Check | 120,771 | 1,665 | 2,034 | 58 | 118,737 | 1,607 |
| Fraud | 1,847 | 2,898 | 102 | 157 | 1,745 | 2,741 |
| Other [4] | 295 | 32 | 11 | 3 | 284 | 29 |
| **Totals** | **7,487,636** | **649,091** | **739,522** | **121,588** | **6,748,114** | **527,492** |
| **Excise [5]** | | | | | | |
| Delinquency | 804,119 | 14,775 | 19,715 | 2,571 | 784,404 | 12,204 |
| Daily Delinquency | 16,273 | 36,987 | 12,043 | 28,456 | 4,230 | 8,531 |
| Failure to Pay | 737,751 | 5,589 | 37,903 | 1,598 | 699,848 | 3,971 |
| Federal Tax Deposits | 37,110 | 5,149 | 4,037 | 1,869 | 33,073 | 3,280 |
| Bad Check | 3,468 | 24 | 125 | 1 | 3,343 | 23 |
| Fraud | 225 | 1,005 | 25 | 98 | 200 | 907 |
| Other [4] | 76 | 44 | - | - | 76 | 44 |
| **Totals** | **1,599,022** | **63,553** | **73,848** | **34,593** | **1,525,174** | **28,960** |
| **Estate and Gift** | | | | | | |
| Delinquency | 799,330 | 38,981 | 5,373 | 21,449 | 793,957 | 17,532 |
| Miscellaneous | 12 | 9 | 4 | 3 | 8 | 6 |
| Failure to Pay | 788,972 | 15,607 | 10,004 | 8,231 | 778,968 | 7,376 |
| Bad Check | 347 | 43 | 68 | 25 | 279 | 18 |
| Fraud | 5 | 36 | 1 | 2 | 4 | 34 |
| Negligence | 39 | 19 | 2 | 2 | 37 | 17 |
| Other [6] | 1 | [7] | - | - | 1 | [7] |
| **Totals** | **1,588,706** | **54,695** | **15,452** | **29,712** | **1,573,254** | **24,984** |
| **Tax Return Preparer's Penalty [8]** | | | | | | |
| Failure to Sign and Failure to Provide Tax Identification Numbers | 22,768 | 5,453 | 19,768 | 2,169 | 3,000 | 3,286 |
| **All Other [9]** | | | | | | |
| Delinquency | 38,710 | 17,491 | 8,872 | 4,219 | 29,838 | 13,272 |
| Failure to Pay | 52,896 | 2,153 | 16,954 | 1,078 | 35,942 | 1,075 |
| Bad Check | 541 | 8 | 54 | 5 | 487 | 3 |
| Fraud | - | - | - | - | - | - |
| Negligence | 44 | 9 | 2 | 2 | 42 | 7 |
| Miscellaneous | 6 | 2 | 1 | [7] | 5 | 2 |
| **Totals** | **92,197** | **19,663** | **25,883** | **5,303** | **66,314** | **14,361** |
| **Total All Civil Penalties** | **20,750,336** | **1,564,587** | **1,719,519** | **383,731** | **19,030,817** | **1,180,856** |

**Notes:** Amounts may not add due to rounding. With the exception of ES, penalties can apply to any tax year. Abatements can apply to any tax year.
[1] Includes Taxpayer Identification Number, Failure to Report Tips, Miscellaneous.
[2] Includes Forms 1120, 990C, 990T.
[3] Includes Forms 940, 941, 942, 943, CT-1.
[4] Includes Negligence and Miscellaneous.
[5] Includes Forms 1041A, 5227, 990PF, 4720, 990, 4638, 2290, 11, 11B, 11C, 720 and 730.
[6] Includes Negligence and Miscellaneous.
[7] Less than $500.
[8] Period covered is January 1, 1979 through September 30, 1979. These penalties are from processing of individual returns only and do not reflect other penalties assessable under the Tax Reform Act of 1976, Code Sections 6694 and 6695.
[9] Includes Forms 1041, 1065, and Individual Retirement Account File.

## Table 15.–Appeals Division receipts and dispositions of cases not before the Tax Court (nondocketed)

**A. Progress of work**

| Status | Number of Cases[1] (1) | Amount stated in revenue agent's report (in thousand of dollars): Deficiency and penalty (2) | Over assessment (3) |
|---|---|---|---|
| Pending October 1 | [2] 20,696 | 4,929,645 | 117,085 |
| Received | 38,405 | 3,382,210 | 115,807 |
| Disposed of, total | 33,905 | 2,449,095 | 64,011 |
| By agreement | 27,643 | 1,900,124 | 60,606 |
| Unagreed: (Overassessments, claims, excise, employment and offer-in-compromise rejections) | 2,438 | 70,201 | 3,373 |
| By taxpayer default on statutory notice | 1,128 | 51,084 | 32 |
| Petition filed-transferred to Counsel | 2,696 | 427,686 | - |
| Pending September 30 | 25,198 | 5,862,760 | 168,881 |

**B. Results obtained in dispositions**

| Status | Number of Cases (1) | Appeals determination (in thousand of dollars): Deficiency and penalty (2) | Over assessment (3) |
|---|---|---|---|
| Disposed of, total | 33,905 | 1,161,977 | 148,880 |
| By agreement | 27,643 | 649,943 | 144,794 |
| Unagreed: (Overassessments, claims, excise, employment and offer-in-compromise rejections) | 2,438 | 42,694 | 1,792 |
| By taxpayer default on statutory notice | 1,128 | 41,654 | 294 |
| Petition filed-transferred to Counsel | 2,696 | 427,686 | - |

[1] A case represents taxpayers grouped together by tax periods with common or related issues that may be heard and disposed of together.
[2] The number of cases pending on Oct. 1, 1978, 20,718 in the 1978 report, has been restated to include the inventory of district conference cases and to reflect the redefinition of a case as in footnote 1.

## Table 16.–Appeals Division receipt and disposition of income, estate, and gift tax cases petitioned to the Tax Court (docketed)

**A. Progress of work**

| Status | Number of Cases * (1) | Amount stated in statutory notice (in thousand of dollars): Deficiency and penalty (2) | Over assessment (3) |
|---|---|---|---|
| Pending October 1 | 11,988 | 2,059,352 | 92,758 |
| Received | 10,440 | 943,878 | 6,825 |
| Disposed of, total | 12,630 | 1,656,655 | 83,897 |
| By stipulated agreement | 5,786 | 326,515 | 510 |
| By dismissal or default | 751 | 4,970 | 2 |
| By transfer to Counsel | 6,093 | 1,323,170 | 83,897 |
| Pending September 30 | 9,796 | 1,346,574 | 15,686 |

**B. Results obtained in dispositions**

| Method | Number of Cases * (1) | Appeals determination (in thousand of dollars): Deficiency and penalty (2) | Over assessment (3) |
|---|---|---|---|
| Disposed of, total | 12,630 | 86,158 | 51,704 |
| By stipulated agreement | 5,786 | 85,331 | 4,240 |
| By dismissal or default | 751 | 827 | 5 |
| By transfer to Counsel | 6,093 | - | 47,459 |

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



## Table 17.—EP/EO tax rulings and technical advice issued

| Subject | Total | Taxpayers' Requests | Field Requests |
|---|---|---|---|
| Total | 10,411 | 9,701 | 710 |
| Actuarial Matters | 2,203 | 2,184 | 19 |
| Exempt Organizations | 3,910 | 3,624 | 286 |
| Employees Plans | 4,298 | 3,893 | 405 |

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

| Letters issued | Stock Bonus | Money Purchase | Profit Sharing | TRASOP | Bond Purchase | Total Defined Contribution | Defined Benefit | Total |
|---|---|---|---|---|---|---|---|---|
| **Initial Qualifications:** | | | | | | | | |
| Qualified | 623 | 18,000 | 27,516 | 309 | 73 | 46,521 | 16,081 | 62,602 |
| Participating Employees | 507,450 | 160,782 | 402,968 | 236,491 | 93 | 1,307,784 | 1,196,079 | 2,503,863 |
| Not Qualified | 3 | 8 | 11 | - | - | 22 | 7 | 29 |
| **Amendments:** | | | | | | | | |
| Qualified | 503 | 14,008 | 23,056 | 134 | 163 | 37,864 | 28,292 | 66,156 |
| Not Qualified | - | 7 | 16 | - | - | 23 | 16 | 39 |
| **Terminations:** | | | | | | | | |
| Qualified | 41 | 2,784 | 5,798 | - | - | 8,603 | 3,806 | 12,409 |
| Not Qualified | - | 5 | 14 | - | - | 19 | 9 | 28 |

## Table 19.—Number of EO returns examined by type of exempt organization

| | | FY 1979 |
|---|---|---|
| 501(c)(3) | Private Foundation | 3,595 |
| | Non-Exempt Charitable Trust | 246 |
| 501(c)(3) | All Others | 8,338 |
| 501(c)(4) | Civic Leagues, Social Welfare | 2,333 |
| 501(c)(5) | Labor, Agriculture, Horticulture | 779 |
| 501(c)(6) | Business Leagues | 1,933 |
| 501(c)(7) | Social and Recreational Clubs | 1,609 |
| 501 | All Others | 3,033 |
| 521 | Farmers's Cooperative | 505 |
| Total | | 22,371 |

## Table 20.—Number of active entities on exempt organizations master file
(Individual and group)

| IRC Section (501(c)) | 1978 | 1979 |
|---|---|---|
| (1) Corporations Organized Under Act of Congress | 25 | 110 |
| (2) Titleholding Corp | 5,272 | 5,324 |
| (3) Religious, Charitable, etc | 293,947 | 304,315 |
| (4) Social Welfare | 125,317 | 127,254 |
| (5) Labor, Agriculture Organizations | 87,531 | 85,479 |
| (6) Business Leagues | 45,325 | 46,940 |
| (7) Social and Recreation Clubs | 49,964 | 50,577 |
| (8) Fraternal Beneficiary Societies | 140,963 | 137,417 |
| (9) Voluntary Employee's Beneficiary Societies | 6,827 | 7,122 |
| (10) Domestic Fraternal Beneficiary Societies | 12,199 | 16,525 |
| (11) Teachers Retirement Fund | 11 | 10 |
| (12) Benevolent Life Insurance Assn | 4,863 | 4,891 |
| (13) Cemetery Companies | 5,529 | 5,752 |
| (14) Credit Unions | 5,118 | 5,149 |
| (15) Mutual Insurance Companies | 1,408 | 1,312 |
| (16) Corp. to Finance Crop Operation | 28 | 26 |
| (17) Supplemental Unemployment Benefit Trusts | 807 | 794 |
| (18) Employee Funded Pension Trust | 4 | 3 |
| (19) War Veterans' Organizations | 21,233 | 22,210 |
| (20) Legal Service Organizations | 4 | 11 |
| 501(d) Religious and Apostolic Organizations | 67 | 3 |
| 521 Farmers' Cooperatives | 3,606 | 3,312 |
| **Total** | **810,046** | **824,538** |

## Table 21.—Disposal of exempt organization applications

| IRC Section 501c | Applications for Determination | | | |
|---|---|---|---|---|
| | Approved | Denied | Other[1] | Total |
| (1) Corporations Organized Under Act of Congress | 1 | - | 1 | 2 |
| (2) Titleholding Corp | 184 | 14 | 96 | 294 |
| (3) Religious, Charitable, etc | 24,892 | 1,805 | 7,338 | 34,035 |
| (4) Social Welfare | 2,594 | 123 | 964 | 3,681 |
| (5) Labor, Agriculture Org | 521 | 18 | 103 | 642 |
| (6) Business Leagues | 1,756 | 117 | 377 | 2,250 |
| (7) Social and Recreation Clubs | 1,402 | 127 | 768 | 2,297 |
| (8) Fraternal Beneficiary Societies | 37 | 10 | 28 | 75 |
| (9) Voluntary Empl. Beneficiary Societies | 535 | 5 | 49 | 589 |
| (10) Domestic Fraternal Societies | 41 | 9 | 62 | 112 |
| (11) Teachers' Retirement Fund | - | - | - | - |
| (12) Benevolent Life Insurance Assn | 128 | 19 | 107 | 254 |
| (13) Cemetery Companies | 255 | 4 | 39 | 298 |
| (14) Credit Unions | 51 | - | 3 | 54 |
| (15) Mutual Ins. Companies | 14 | 1 | 4 | 19 |
| (16) Corp. to Finance Crop Oper | - | - | - | - |
| (17) Supplemental Unemployment Benefit Trusts | 36 | 1 | 1 | 38 |
| (18) Employee Funded Pension Trust | - | - | - | - |
| (19) War Veterans' Org | 91 | 1 | 18 | 110 |
| (20) Legal Service Org | 11 | - | 2 | 13 |
| (21) Black Lung Trust | 1 | - | - | 1 |
| 501(d) Apostolic and Religious Org | - | - | - | - |
| 501(f) Coop Service Org. of Operating Educational Org | - | - | - | - |
| 521 Farmers' Cooperatives | 97 | 3 | 27 | 127 |
| National Office Rulings and Determination Letters | 2,695 | 279 | 650 | 3,624 |
| **Grand Total** | **35,342** | **2,536** | **10,637** | **48,515** |

[1] Applications withdrawn by taxpayer, incomplete applications, etc.



## Table 22.—Internal revenue collections, costs, employees, and U.S. population, 1950 through 1979

| Fiscal year | Operating cost | Collections | Cost of collecting $100 | Population (Thousands) | Tax per capita | Average positions realized | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Total | National Office | Field |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| 1950 | 230,408,200 | 38,957,131,768 | 0.59 | 152,271 | 255.84 | 55,551 | 4,303 | 51,248 |
| 1951 | 245,869,538 | 50,445,686,315 | 0.49 | 154,878 | 325.71 | 55,805 | 4,208 | 51,597 |
| 1952 | 271,672,192 | 65,009,585,560 | 0.42 | 157,553 | 412.62 | 56,309 | 3,953 | 52,356 |
| 1953 | 268,590,806 | 69,686,535,389 | 0.38 | 160,184 | 435.00 | 53,463 | 3,834 | 49,629 |
| 1954 | 268,969,107 | 69,919,990,791 | 0.38 | 163,026 | 428.89 | 51,411 | 2,707 | 48,704 |
| 1955 | 278,834,278 | 66,288,692,000 | 0.42 | 165,931 | 399.50 | 50,890 | 2,675 | 48,215 |
| 1956 | 299,894,710 | 75,112,649,000 | 0.40 | 168,903 | 444.71 | 50,682 | 2,583 | 48,099 |
| 1957 | 305,537,814 | 80,171,917,000 | 0.38 | 171,984 | 466.16 | 51,364 | 2,832 | 48,532 |
| 1958 | 337,428,789 | 79,978,476,484 | 0.42 | 174,882 | 457.33 | 50,816 | 2,909 | 47,907 |
| 1959 | 355,469,228 | 79,797,972,806 | 0.44 | 177,830 | 448.73 | 51,226 | 2,969 | 48,257 |
| 1960 | 363,735,359 | 91,774,802,823 | 0.40 | 180,671 | 507.96 | 51,047 | 2,910 | 48,137 |
| 1961 | 413,295,238 | 94,401,086,398 | 0.44 | 183,691 | 513.91 | 53,206 | 3,042 | 50,164 |
| 1962 | 450,080,420 | 99,440,839,245 | 0.45 | 186,538 | 533.09 | 56,481 | 3,401 | 53,080 |
| 1963 | 500,804,314 | 105,925,395,281 | 0.47 | 189,242 | 559.74 | 59,711 | 3,657 | 56,054 |
| 1964 | 549,692,131 | 112,250,257,115 | 0.49 | 191,889 | 585.03 | 61,059 | 3,839 | 57,220 |
| 1965 | 597,387,471 | 114,434,633,721 | 0.52 | 194,303 | 588.95 | 62,098 | 3,881 | 58,217 |
| 1966 | 624,861,929 | 128,879,961,342 | 0.48 | 196,560 | 655.66 | 63,508 | 3,982 | 59,526 |
| 1967 | 667,060,295 | 148,374,814,552 | 0.45 | 198,712 | 746.68 | 65,946 | 3,894 | 62,052 |
| 1968 | 699,190,304 | 153,363,837,665 | 0.46 | 200,706 | 765.48 | 67,574 | 3,967 | 63,607 |
| 1969 | 756,785,475 | 187,919,559,668 | 0.40 | 202,677 | 927.19 | 66,064 | 3,862 | 62,202 |
| 1970 | 886,159,162 | 195,722,096,497 | 0.45 | 204,878 | 955.31 | 68,683 | 4,103 | 64,580 |
| 1971 | 981,065,297 | 191,647,198,138 | 0.51 | 207,053 | 925.63 | 68,972 | 4,358 | 64,614 |
| 1972 | 1,127,390,411 | 209,855,736,878 | 0.54 | 208,846 | 1,004.83 | 68,549 | 4,134 | 64,415 |
| 1973 | 1,162,009,945 | 237,787,204,058 | 0.49 | 210,410 | 1,130.11 | 74,170 | 4,505 | 69,665 |
| 1974 | 1,312,894,661 | 268,952,253,663 | 0.49 | 211,901 | 1,269.24 | 78,921 | 4,310 | 74,611 |
| 1975 | *1,584,711,486 | 293,822,725,772 | 0.54 | 213,559 | 1,375.84 | 82,339 | 4,531 | 77,808 |
| 1976 | *1,667,311,689 | 302,519,791,922 | 0.56 | 215,142 | 1,406.14 | 84,264 | 4,732 | 79,532 |
| 1977 | *1,790,588,738 | 358,139,416,730 | 0.50 | 217,329 | 1,647.91 | 83,743 | 4,994 | 78,749 |
| 1978 | *1,962,129,287 | 399,776,389,362 | 0.49 | 219,033 | 1,826.61 | 85,329 | 4,919 | 80,410 |
| 1979 | *2,116,166,276 | 460,412,185,013 | 0.46 | 220,999 | 2,083.32 | 86,630 | 5,003 | 81,627 |

*This figure represents actual IRS operating costs from FY 1975, exclusive of reimbursements received from other agencies for services performed. While the operating costs figures for fiscal years prior to 1975 may in some cases include reimbursements, those amounts are sufficiently small so as not to alter the cost figures in column 3.
Economic Stabilization Program average positions included in 1972, 1973, and 1974.
Federal Energy Program average positions included in 1974.
1972 adjusted by 3,990 average positions to reflect the AT&F transfer—July 1973. AT&F included in years 1948–71.
Eleven average positions transferred to office of the Secretary in 1965. Twenty average positions transferred to office of the Secretary in 1963.

## Table 23.—Costs Incurred by Internal Revenue Service by Activity
(In thousands of dollars)

| Appropriation by Activity | Total | | Personnel Compensation and Benefits | | Other | |
|---|---|---|---|---|---|---|
| | 1978 | 1979 | 1978 | 1979 | 1978 | 1979 |
| **Total obligations, appropriations and reimbursable** | **1,974,856** | **2,123,271** | **1,545,735** | **1,643,677** | **429,121** | **479,394** |
| Obligations against appropriated funds | 1,962,129 | 2,116,166 | 1,535,528 | 1,638,231 | 426,601 | 477,935 |
| **Salaries and Expenses:** | | | | | | |
| **Total** | **124,916** | **138,186** | **108,144** | **115,758** | **16,772** | **22,428** |
| Executive Direction | 13,220 | 14,424 | 10,164 | 10,479 | 3,056 | 3,945 |
| Internal Audit and Security | 29,014 | 31,189 | 24,405 | 25,842 | 4,609 | 5,327 |
| Management Services | 17,657 | 20,388 | 15,216 | 15,891 | 2,441 | 4,477 |
| Legal Services | 45,082 | 49,721 | 40,504 | 44,576 | 4,578 | 5,145 |
| Technical Rulings and Services | 19,943 | 22,504 | 17,855 | 18,970 | 2,088 | 3,534 |
| **Taxpayer Service and Returns Processing:** | | | | | | |
| **Total** | **989,290** | **732,945** | **455,235** | **487,982** | **214,055** | **244,963** |
| Data Processing Operations | 493,560 | 521,937 | 368,838 | 392,605 | 124,722 | 129,332 |
| Statistical Reporting | 13,824 | 13,396 | 10,625 | 11,239 | 3,199 | 2,157 |
| Taxpayer Service | 161,906 | 197,612 | 75,772 | 84,138 | 86,134 | 113,474 |
| **Examinations and Appeals:** | | | | | | |
| **Total** | **726,192** | **770,093** | **607,454** | **643,355** | **118,738** | **126,708** |
| Examinations | 675,253 | 719,568 | 560,877 | 588,932 | 114,376 | 120,636 |
| Appeals | 50,939 | 50,525 | 46,577 | 44,453 | 4,362 | 6,072 |
| **Investigations and Collection:** | | | | | | |
| **Total** | **441,731** | **474,942** | **364,694** | **391,106** | **77,037** | **83,836** |
| Tax Fraud Investigations | 121,182 | 130,185 | 98,831 | 106,179 | 22,351 | 24,006 |
| Collection | 258,302 | 280,613 | 212,759 | 230,820 | 45,543 | 49,793 |
| Employee Plans and Exempt Organization | 62,247 | 64,144 | 53,104 | 54,107 | 9,143 | 10,037 |
| **Reimbursable obligations, Total** | **12,727** | **7,105** | **10,207** | **5,846** | **2,520** | **1,459** |

## Table 24.—Costs incurred by IRS by office
(In thousands of dollars)

| Internal revenue office, district or region | Total | Personnel Compensation | Travel | Equipment | Other |
|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) |
| **A. National Office and regional totals (including district director's offices and service centers)** | | | | | |
| **Total Internal Revenue Service** | **2,123,271** | **1,843,878** | **57,996** | **22,733** | **198,665** |
| National Office | 419,479 | 126,328 | 4,347 | 11,188 | 277,616 |
| North-Atlantic | 290,608 | 266,629 | 5,199 | 1,390 | 17,391 |
| Mid-Atlantic | 196,215 | 178,675 | 4,440 | 1,429 | 11,671 |
| Southeast | 221,572 | 194,897 | 8,103 | 1,345 | 17,227 |
| Central | 173,942 | 154,610 | 6,295 | 833 | 12,205 |
| Midwest | 201,416 | 181,543 | 7,040 | 1,157 | 11,675 |
| Southwest | 198,198 | 174,362 | 6,582 | 1,672 | 13,583 |
| Western | 307,209 | 272,522 | 9,543 | 2,460 | 22,685 |
| Regional Counsel | 32,495 | 30,162 | 384 | 509 | 1,441 |
| Regional Inspection | 24,830 | 22,053 | 1,882 | 174 | 721 |
| Office of International Operations | 16,611 | 13,169 | 2,018 | 26 | 1,398 |
| National Computer Center | 14,522 | 7,300 | 54 | 199 | 6,969 |
| IRS Data Center | 26,170 | 21,628 | 107 | 352 | 4,083 |
| **B. Regional commissioner's offices (excluding district director's offices and service centers)** | | | | | |
| North-Atlantic | 17,527 | 15,845 | 335 | 254 | 1,093 |
| Mid-Atlantic | 13,400 | 11,735 | 267 | 354 | 1,044 |
| Southeast | 12,361 | 10,048 | 813 | 92 | 1,409 |
| Central | 11,626 | 10,359 | 347 | 72 | 848 |
| Midwest | 12,593 | 10,413 | 774 | 233 | 1,173 |
| Southwest | 12,142 | 10,719 | 511 | 260 | 652 |
| Western | 19,234 | 15,340 | 967 | 619 | 2,289 |
| **C. District director's offices and service centers:** | | | | | |
| **North-Atlantic:** | | | | | |
| Albany | 8,510 | 7,649 | 326 | 39 | 496 |
| Augusta | 4,533 | 4,035 | 267 | 7 | 224 |
| Boston | 32,302 | 29,808 | 861 | 202 | 1,432 |
| Brooklyn | 32,787 | 31,072 | 479 | 188 | 1,049 |
| Buffalo | 19,258 | 17,516 | 661 | 56 | 1,025 |
| Burlington | 2,508 | 2,213 | 149 | 6 | 140 |
| Hartford | 16,757 | 15,426 | 574 | 102 | 655 |
| Manhattan | 64,014 | 61,078 | 781 | 292 | 1,863 |
| Portsmouth | 3,920 | 3,581 | 149 | 17 | 174 |
| Providence | 5,610 | 5,159 | 175 | 13 | 262 |
| North-Atlantic Region Centralized Training | 228 | - | 227 | - | 1 |
| Andover Service Center | 38,634 | 34,276 | 116 | 116 | 4,326 |
| Brookhaven Service Center | 43,820 | 38,971 | 99 | 98 | 4,652 |
| **Mid-Atlantic:** | | | | | |
| Baltimore | 26,870 | 24,955 | 654 | 227 | 1,033 |
| Newark | 41,922 | 39,100 | 1,127 | 235 | 1,461 |
| Philadelphia | 32,784 | 30,859 | 684 | 280 | 1,161 |
| Pittsburgh | 17,312 | 15,939 | 469 | 117 | 788 |
| Richmond | 17,996 | 15,868 | 858 | 91 | 1,179 |
| Wilmington | 3,825 | 3,506 | 113 | 43 | 162 |
| Mid-Atlantic Form Distribution Center | 626 | 494 | 2 | 2 | 129 |
| Mid-Atlantic Region-Centralized Training | 168 | - | 167 | - | 1 |
| Philadelphia Service Center | 41,311 | 36,419 | 99 | 80 | 4,713 |
| **Southeast:** | | | | | |
| Atlanta | 25,802 | 22,848 | 1,251 | 145 | 1,558 |
| Birmingham | 11,790 | 10,591 | 638 | 50 | 511 |
| Columbia | 8,267 | 7,432 | 453 | 49 | 333 |
| Greensboro | 18,987 | 16,980 | 1,062 | 83 | 842 |
| Jackson | 7,773 | 6,840 | 572 | 43 | 319 |
| Jacksonville | 44,479 | 39,749 | 2,062 | 308 | 2,361 |
| Nashville | 15,315 | 13,838 | 806 | 101 | 770 |
| Southeast Region-Centralized Training | 204 | - | 197 | - | 7 |
| Atlanta Service Center | 39,984 | 34,730 | 93 | 282 | 4,878 |
| Memphis Service Center | 36,609 | 32,041 | 137 | 192 | 4,240 |
| **Central:** | | | | | |
| Cincinnati | 19,757 | 17,788 | 826 | 114 | 1,029 |
| Cleveland | 27,273 | 24,479 | 1,063 | 116 | 1,615 |
| Detroit | 38,140 | 34,829 | 1,557 | 95 | 1,659 |
| Indianapolis | 19,015 | 16,807 | 990 | 101 | 1,116 |
| Louisville | 12,329 | 10,912 | 721 | 72 | 624 |
| Parkersburg | 6,909 | 5,957 | 452 | 83 | 417 |
| Central Region-Centralized Training | 178 | - | 178 | - | - |
| Cincinnati Service Center | 38,716 | 33,479 | 160 | 179 | 4,897 |



## Table 24.—Continued
(In thousands of dollars)

| Internal revenue office, district, or region | Total | Personnel Compensation | Travel | Equipment | Other |
|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) |
| **Midwest:** | | | | | |
| Aberdeen | 3,086 | 2,702 | 233 | 7 | 144 |
| Chicago | 48,614 | 45,435 | 1,205 | 160 | 1,814 |
| Des Moines | 11,554 | 10,384 | 625 | 67 | 498 |
| Fargo | 2,785 | 2,408 | 212 | 9 | 156 |
| Milwaukee | 15,806 | 14,443 | 628 | 117 | 619 |
| Omaha | 7,559 | 6,678 | 488 | 8 | 385 |
| St. Louis | 24,834 | 22,705 | 1,027 | 125 | 978 |
| St. Paul | 19,669 | 18,040 | 882 | 160 | 788 |
| Springfield | 12,529 | 11,150 | 659 | 57 | 662 |
| Midwest Region-Centralized Training | 189 | - | 188 | - | 1 |
| Kansas City Service Center | 41,998 | 37,207 | 119 | 214 | 4,458 |
| **Southwest:** | | | | | |
| Albuquerque | 5,115 | 4,525 | 327 | 40 | 223 |
| Austin | 36,440 | 31,985 | 2,107 | 234 | 2,114 |
| Cheyenne | 2,584 | 2,139 | 277 | 31 | 137 |
| Dallas | 33,855 | 30,115 | 1,613 | 225 | 1,903 |
| Denver | 14,589 | 12,880 | 729 | 132 | 869 |
| Little Rock | 8,411 | 7,323 | 524 | 45 | 519 |
| New Orleans | 15,894 | 14,095 | 919 | 132 | 748 |
| Oklahoma City | 14,120 | 12,507 | 710 | 225 | 677 |
| Wichita | 10,878 | 9,791 | 537 | 80 | 471 |
| Southwest Region-Centralized Training | 276 | - | 217 | - | 59 |
| Austin Service Center | 43,894 | 38,302 | 112 | 268 | 5,212 |
| **Western:** | | | | | |
| Anchorage | 5,322 | 4,474 | 423 | 30 | 395 |
| Boise | 4,693 | 4,059 | 326 | 45 | 263 |
| Helena | 3,975 | 3,455 | 309 | 50 | 160 |
| Honolulu | 5,787 | 5,240 | 262 | 32 | 252 |
| Los Angeles | 72,191 | 66,110 | 2,416 | 412 | 3,254 |
| Phoenix | 11,073 | 9,972 | 498 | 106 | 497 |
| Portland | 11,915 | 10,486 | 531 | 63 | 835 |
| Reno | 7,431 | 6,727 | 330 | 46 | 329 |
| Salt Lake City | 5,439 | 4,939 | 254 | 17 | 229 |
| San Francisco | 47,474 | 42,907 | 1,699 | 312 | 2,556 |
| Seattle | 18,359 | 16,460 | 658 | 94 | 948 |
| Western Region-Centralized Training | 318 | - | 285 | - | 33 |
| Ogden Service Center | 43,501 | 37,722 | 193 | 391 | 5,195 |
| Fresno Service Center | 50,498 | 44,631 | 173 | 244 | 5,450 |

**Note:** Reimbursements are included in the above figures.

## Table 25.—Personnel summary

| Location and type | Average positions realized 1978 | Average positions realized 1979 | Number employees at close of year 1978 | Number employees at close of year 1979 |
|---|---|---|---|---|
| **Service total** | **96,258** | **97,002** | **81,505** | **85,399** |
| Permanent | 71,444 | 71,467 | 70,942 | 71,771 |
| Temporary | 14,814 | 15,535 | 10,563 | 13,627 |
| **National Office** [1] | **4,973** | **5,035** | **4,582** | **4,693** |
| **Regional Offices** [2] | **81,285** | **81,987** | **76,913** | **80,705** |
| **Data Processing Operations** | **27,969** | **27,709** | **24,201** | **25,498** |
| **Collection** | **10,412** | **10,115** | **10,259** | **10,027** |
| Revenue Officers | 5,924 | 5,767 | 5,784 | 5,786 |
| Other | 4,488 | 4,348 | 4,475 | 4,241 |
| **Taxpayer Service** | **4,313** | **4,762** | **3,711** | **4,635** |
| Taxpayer Service Specialists | 624 | 633 | 651 | 686 |
| Taxpayer Service Representatives | 1,081 | 1,064 | 1,097 | 1,106 |
| Other | 2,608 | 3,065 | 1,963 | 2,841 |
| **Examination** | **26,254** | **22,944** | **26,427** | **23,468** |
| Revenue Agents | 13,927 | 13,715 | 13,959 | 13,987 |
| Office Auditors | 4,617 | 4,462 | 4,725 | 4,823 |
| Other | 7,710 | 4,767 | 7,743 | 4,658 |
| **Employee Plans/Exempt Organizations** | **1,958** | **1,563** | **1,887** | **1,547** |
| EP/EO Technicals | 1,363 | 1,315 | 1,259 | 1,297 |
| Other | 593 | 248 | 628 | 250 |
| **Appeals** | **1,193** | **1,461** | **1,297** | **1,708** |
| Appeals Officers | 565 | 731 | 558 | 856 |
| Auditors | 116 | 114 | 113 | 121 |
| Other | 512 | 616 | 536 | 731 |
| **Tax Fraud** | **3,913** | **3,838** | **3,914** | **3,827** |
| Special Agents | 2,779 | 2,786 | 2,764 | 2,790 |
| Other | 1,132 | 1,050 | 1,150 | 1,037 |
| **Administration Management** | **3,374** | **3,492** | **3,288** | **3,809** |
| **Centralized Services** | | **4,088** | | **4,327** |
| **Regional Counsel** | **1,038** | **1,140** | **1,103** | **1,159** |
| **Regional Inspection** | **867** | **857** | **916** | **900** |

**Note:** Reimbursements are included in above figures.

[1] Includes terminal leave for average positions realized for entire Service.

[2] Includes Office of International Operations, National Computer Center and the Data Center.

# Chronological List

## Commissioners of Internal Revenue 1862-1979 and Acting Commissioners during transitory periods.

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

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

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

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

**Columbus Delano**
Ohio
Mar. 11, 1869/Oct. 31, 1870

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

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

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

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

**Walter Evans**
Kentucky
May 21, 1883/Mar. 19, 1885

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

**John W. Mason**
West Virginia
Mar. 21, 1889/Apr. 18, 1893

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

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

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

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

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

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

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

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

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

**William M. Williams**
Alabama
Apr. 1, 1920/Apr. 11, 1921

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

**Jerome Kurtz**
Pennsylvania
May 5, 1977

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

In addition, the following were Acting Commissioners during periods of time when there was no Commissioner holding the office:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

William E. Williams of Illinois
from Feb. 27 to May 4, 1977.

# Principal Officers of the Internal Revenue Service as of September 30, 1979

## National Office

**Commissioner**
Jerome Kurtz

**Deputy Commissioner**
William E. Williams

**Assistant to the Commissioner**
Marvin Katz
Lauralee Matthews
David F. P. O'Connor

**Assistant to the Commissioner (Public Affairs)**
A. James Golato

**Assistant to the Commissioner (Equal Opportunity)**
Eugene D. Alexander

**Assistant to the Deputy Commissioner**
Alvin H. Kolak

### Taxpayer Service and Returns Processing

**Assistant Commissioner**
James I. Owens

**Deputy Assistant Commissioner**
M. Eddie Heironimus

**Division Directors:**
Program Planning and Review
Suellen P. Hamby
Returns Processing & Accounting
Russell E. Dyke
Taxpayer Service
Stanley Goldberg
Disclosure Operations
Howard T. Martin
Tax Administration Advisory Services
Gordon C. Hill, Jr.

### Resources Management

**Assistant Commissioner**
Joseph T. Davis

**Deputy Assistant Commissioner**
Alan A. Beck

**Division Directors:**
Facilities Management
Richard E. Simko
Fiscal Management
Joseph F. Kump
Personnel
Anthony W. D'Amato
Training and Development
Orion L. Birdsall
Security Standards and Evaluations
Dominick J. Lantonio
National Office Resources Management
Herbert J. Huff

### Compliance

**Assistant Commissioner**
S.B. Wolfe

**Deputy Assistant Commissioner**
Donald E. Bergherm

**Division Directors:**
Appeals
Roydell S. Rosfed
Examination
John L. Wedick, Jr.
Criminial Investigation
Thomas J. Clancy
Office of International Operations
Joseph G. McGowan
Collection
Kenneth E. Luke

### Data Services

**Assistant Commissioner**
Donald J. Porter

**Division Directors:**
Data Center, Detroit, MI
James E. Daly, Jr.
National Computer Center, Martinsburg, WV
William E. Palmer
Service & Design
Daniel N. Capozzoli
Systems Analysis
Donald E. Curtis
Systems Programming
Carolyn Buttolph



### Employee Plans/Exempt Organizations

**Assistant Commissioner**
S. Allen Winborne

**Deputy Assistant Commissioner**
Raymond A. Spillman

**Division directors:**
Actuarial
Ira Cohen
Employee Plans
Fred J. Ochs
Exempt Organizations
Joseph A. Tedesco

### Inspection

**Assistant Commissioner**
Robert L. Rebein

**Deputy Assistant Commissioner**
Teddy R. Kern

**Division Directors:**
Internal Audit
Rudolph Arena
Internal Security
Willaim E. Mulroy

### Planning and Research

**Assistant Commissioner**
Russell E. Dyke

**Deputy Assistant Commissioner**
Walter E. Bergman

**Division Directors:**
Internal Management Documents
Jack G. Petrie
Legislative Analysis
Rondal C. Blankenship
Research and Operations Analysis
Walter E. Bergman
Statistics
Vito Natrella

### Technical

**Assistant Commissioner**
Gerald G. Portney (Acting)

**Deputy Assistant Commissioner**
Aaron Feibel

**Division Directors:**
Corporation Tax
John W. Holt
Individual Tax
Mario E. Lombardo
Tax Forms and Publications
Roy J. Linger

### Office of Chief Counsel

**Chief Counsel**
Lester Stein (Acting)

**Deputy Chief Counsel (General)**
Stephen M. Miller

**Deputy Chief Counsel (Litigation)**
Vacant

**Deputy Chief Counsel (Technical)**
Lester Stein

**Technical Advisor to Chief Counsel**
Daniel F. Folzenlogen

**Staff Assistant to Chief Counsel**
James T. Fuller, III

**Division Directors:**
Administrative Services
Joseph H. Hairston
Criminal Tax
Robert W. Schafer
Disclosure Litigation
James J. Keightley
Employee Plans & Exempt Organizations
George H. Jelly
General Legal Services
George J. Shaw, Jr.
General Litigation
Harold T. Flanagan
Interpretative
Jerome D. Sebastian
Legislation and Regulations
Robert A. Bley
Tax Litigation
John H. Menzel (Acting)

# Regional and District Officers

## Central Region

**Regional Commissioner**
Leon C. Green

**Assistant Regional Commissioners:**
Taxpayer Service & Returns Processing
Patrick J. Ruttle
Resources Management
Billy J. Brown
Examination
Jack P. Chivatero
Criminal Investigation
Richard C. Herman
Collection
Charles F. Jones

**District Directors:**
Cincinnati, OH
Dwight L. James, Jr.
Cleveland, OH
Everett Lowry
Detroit, MI
Roger L. Plate
Indianapolis, IN
James W. Caldwell
Louisville, KY
Paul F. Niederecker
Parkersburg, WV
T. Blair Evans

**Director, Cincinnati Service Center**
John O. Hummel

**Regional Counsel**
Vernon J. Owens

**Regional Director of Appeals**
Claude C. Rogers, Jr.

**Regional Inspector**
John E. McManus

## Mid-Atlantic Region

**Regional Commissioner**
William D. Waters

**Assistant Regional Commissioners:**
Taxpayer Service & Returns Processing
Henry E. Leech, Jr.
Resources Management
Americo P. Attorri
Examination
Paul H. Thornton
Criminal Investigation
Robert L. Browne
Collection
Leroy C. Gay

**District Directors:**
Baltimore, MD
Gerald G. Portney
Newark, NJ
Cornelius J. Coleman
Philadelphia, PA
James T. Rideoutte
Pittsburgh, PA
Thomas L. Davis
Richmond, VA
James P. Boyle
Wilmington, DE
F. Clare Shy

**Director, Philadelphia Service Center**
Norman E. Morrill

**Regional Counsel**
Robert L. Liken

**Regional Director of Appeals**
James J. Casimir

**Regional Inspector**
Benjamin J. Redmond

## Midwest Region

**Regional Commissioner**
Edwin P. Trainor

**Assistant Regional Commissioners:**
Taxpayer Service & Returns Processing
John Ader
Resources Management
David S. Burckman
Compliance
Leon Moore

**District Directors:**
Aberdeen, SD
Thomas J. Yates
Chicago, IL
Charles F. Miriani
Des Moines, IA
Michael J. Murphy
Fargo, ND
Gerard R.Esposito
Milwaukee, WI
Lawrence M. Phillips
Omaha, NB
Mitchell E. Premis, Jr.
Springfield, IL
Ira S. Loeb
St. Louis, MO
Richard C. Voskuil
St. Paul, MN
C. Dudley Switzer

**Director, Kansas City Service Center**
Roy D. Clark

**Regional Counsel**
Dennis J. Fox

**Regional Director of Appeals**
Donato Cantalupo

**Regional Inspector**
John J. Kelly

## North-Atlantic Region

**Regional Commissioner**
Philip E. Coates

**Assistant Regional Commissioners:**
Taxpayer Service & Returns Processing
Gary H. Matthews
Resources Management
Pete J. Medina
Examination
Joseph Slipowitz
Criminal Investigation
Raymond C. Turner
Collection
Thomas P. Coleman

**District Directors:**
Albany, NY
John B. Langer
Augusta, ME
John J. Jennings
Boston, MA
Herbert B. Mosher
Brooklyn, NY
George S. Alberts
Buffalo, NY
Marshall P. Cappelli
Burlington, VT
Peter L. Dillon
Hartford, CT
James G. Quinn
Manhattan, NY
Charles H. Brennan
Portsmouth, NH
Francis S. Miceli
Providence,RI
Charles E. Roddy

**Director, Andover, Service Center**
Joseph H. Cloonan

**Director, Brookhaven Service Center**
Thomas J. Laycock

**Regional Counsel**
Theodore E. Davis

**Regional Director of Appeals**
Richard E. Fogwell

**Regional Inspector**
Daniel Schiller

## Southeast Region

**Regional Commissioner**
Harold A. McGuffin

**Assistant Regional Commissioners:**

Taxpayer Service & Returns Processing
William B. Hartlage

Resources Management
Carol M. Fay

Examination
Philip J. Sullivan

Criminal Investigation
Anthony V. Langone

Collection
Claude A. Kyle

**District Directors:**

Atlanta, GA
John W. Henderson

Birmingham, AL
Dwight T., Baptist

Columbia, SC
Harold Bindseil

Greensboro, NC
Robert A. LeBaube

Jackson, MS
William Daniel

Jacksonville, FL
Charles O. DeWitt

Nashville, TN
James A. O'Hara

**Director, Atlanta Service Center**
William E.Douglas

**Director, Memphis Service Center**
James D. Hallman

**Regional Counsel**
Jack D. Yarbrough

**Regional Director of Appeals**
Tully Miller

**Regional Inspector**
Dale W. Gardner

## Southwest Region

**Regional Commissioner**
Walter T. Coppinger

**Assistant Regional Commissioners:**

Taxpayer Service & Returns Processing
Bobby G. Hughes

Resources Management
Raymond Asturmian

Examination
Percy P. Woodward, Jr.

Criminal Investigation
John M. Rankin, Jr.

Collection
Larry G. Westfall

**District Directors:**

Albuquerque, NM
Francis L. Browitt

Austin, TX
Robert M. McKeever

Cheyenne, WY
Michael J. Kelly

Dallas,TX
Alden W. McCanless

Denver, CO
Gerald L. Mihlbachler

Little Rock, AR
Paul D. Williams

New Orleans, LA
Robert M.Cutts

Oklahoma City, OK
Charles A. Parks

Wichita, KS
Maurice E. Johnson

**Director, Austin Service Center**
Carolyn K. Leonard

**Regional Counsel**
William B. Riley

**Regional Director of Appeals**
Douglas M. Moore

**Regional Inspector**
Paul F. Kearns



## Western Region

**Regional Commissioner**
Thomas A. Cardoza

**Assistant Regional Commissioners:**

Taxpayer Service & Returns Processing
John D. Johnson

Resources Management
Kenneth G. Rivett

Examination
Elmer Kletke

Criminal Investigation
Richard C. Wassenaar

Collection
Paul R. Dickey

**District Directors:**

Anchorage, AK
Frank R. Berria

Boise, ID
Philip N. Sansotta

Helena, MT
Frederick C. Nielsen

Honolulu, HI
William M. Wolf

Los, Angeles, CA
William H. Connett

Phoenix, AZ
Prescott A. Berry

Portland, OR
Ralph B. Short

Reno, NV
Gerald F. Swanson

Salt Lake City, UT
Roland V. Wise

San Francisco, CA
Michael D. Sassi

Seattle, WA
Arturo A. Jacobs

**Director, Fresno Service Center**
Frederic F. Perdue

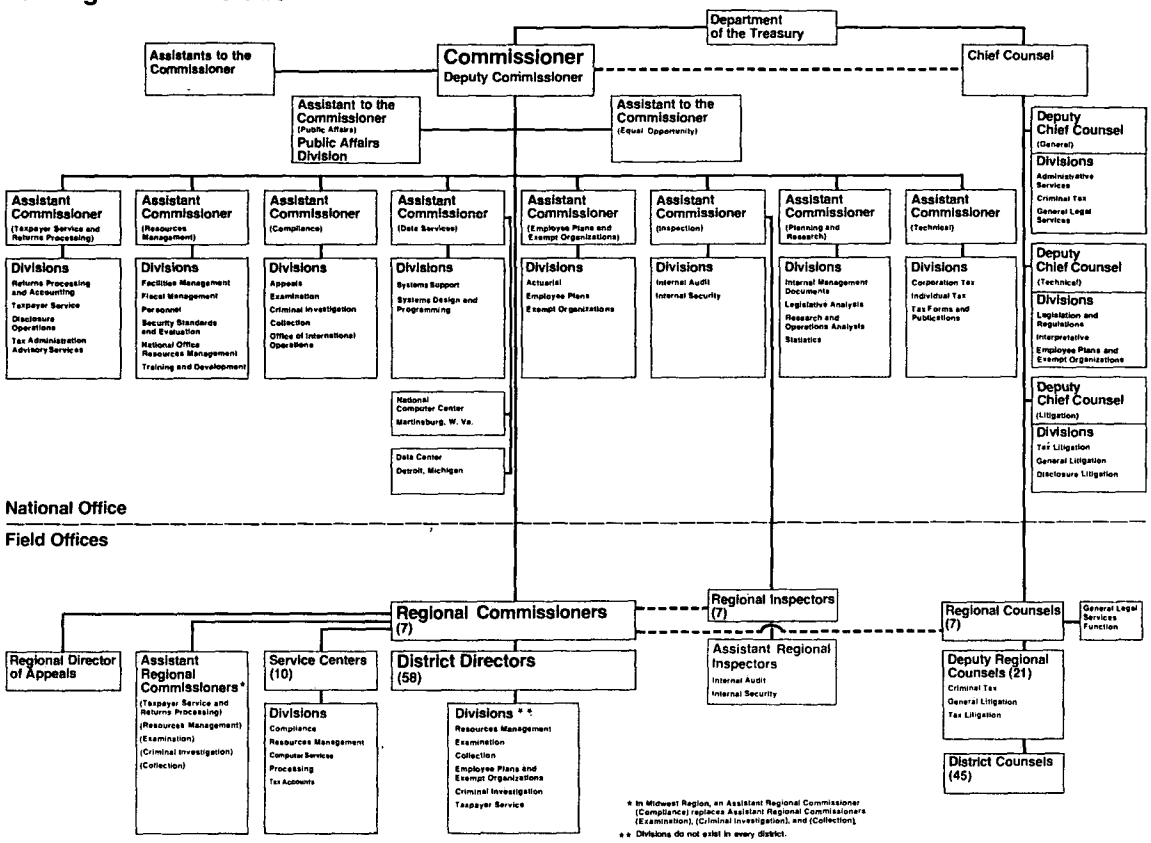
**Director, Ogden Service Center**
Robert H. Terry

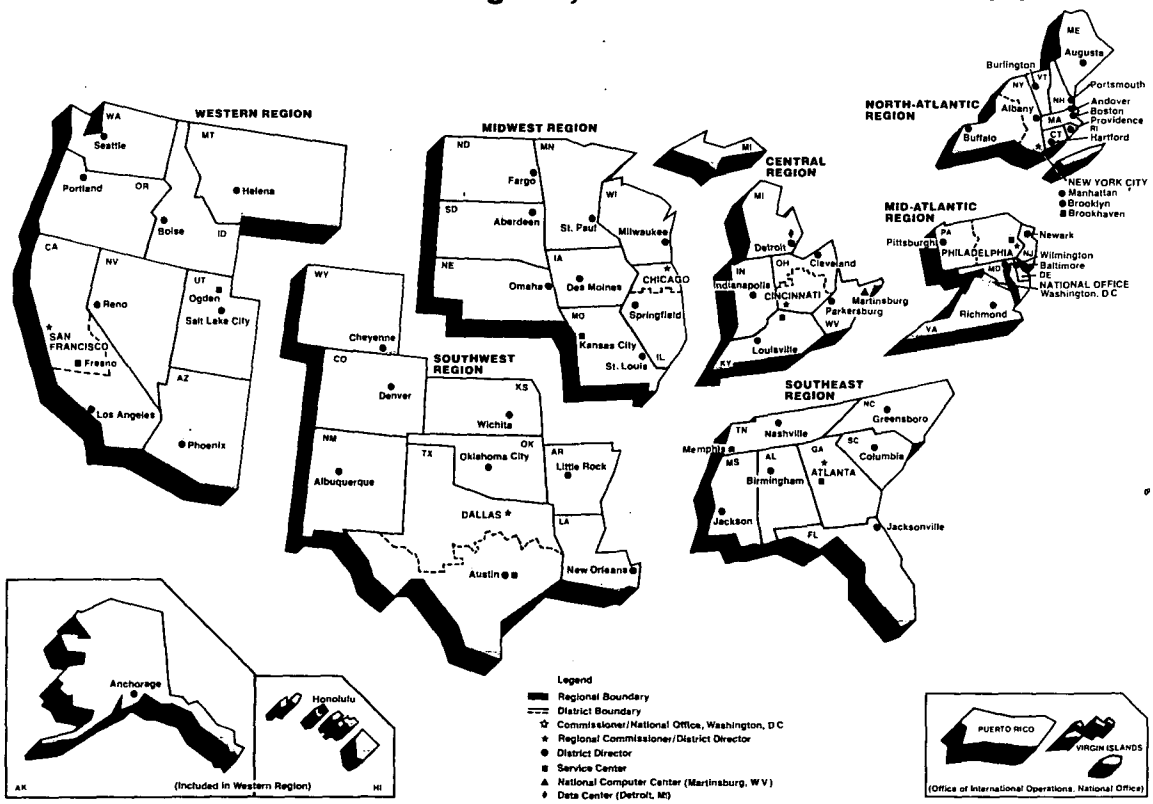
**Regional Counsel**
Emory L. Langdon

**Regional Director of Appeals**
Ralph F. Albrecht

**Regional Inspector**
Billy G. Morrison

## IRS Organization Chart




## Internal Revenue Service Regions, Districts and Service Centers