Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season

December 20, 2022

Report Number: 2023-46-007
Why TIGTA Did This Audit

Backlogs of tax returns and other types of tax account work from the 2021 Filing Season continued to affect the IRS’s ability to provide timely service to taxpayers in the 2022 Filing Season.

As of the week ending October 28, 2022, 9.6 million returns were awaiting processing or other resolution compared to 10.8 million returns for the week ending October 30, 2021.

This audit is part of a series of reviews of the IRS’s efforts to reduce these significant backlogs at its Tax Processing Centers.

Impact on Tax Administration

The delays in processing backlogged tax returns continue to burden taxpayers. Our assessment of the remaining inventory and increased production levels indicates that the IRS will not meet all of its goals by the end of Calendar Year 2022 and will continue to have a backlog into the 2023 Filing Season.

What TIGTA Found

TIGTA reported previously that at the end of Calendar Year 2021, a significant backlog of inventories associated with the 2021 Filing Season remained. TIGTA also reported that ongoing substantial hiring shortfalls of employees needed to fill mission-critical Tax Processing Center positions continued to hamper the IRS’s efforts to address these backlog inventories.

On March 10, 2022, the IRS announced its plans to address the continuing backlog of tax returns and other tax account work during the 2022 Filing Season. These initiatives, referred to as the Get Healthy Plan, are intended to return the IRS to healthy inventory levels by the end of Calendar Year 2022. The IRS defines “healthy” as pre-pandemic inventory levels.

During the 2022 Filing Season, the IRS took several steps to address staffing needs at the Tax Processing Centers and Accounts Management function that included:

- Employees from other functions were detailed to work in Accounts Management.
- The IRS identified employees in the Small Business/Self-Employed Division to assist in working the backlog of inventory at the Tax Processing Centers.
- The IRS began hiring contract employees to perform clerical duties related to the processing of the returns.
- Employees in Accounts Management remote offices started working the backlog of amended tax returns.

These efforts have recently resulted in an increase in productivity levels (i.e., the number of returns processed); however, our assessment of remaining inventory indicates that the IRS will not meet all of its goals by the end of Calendar Year 2022. As a result, the IRS will continue to have a backlog into the 2023 Filing Season. TIGTA will continue to assess the IRS’s efforts to address the backlog of tax returns and other tax account work and issue additional reports in Calendar Year 2023.

What TIGTA Recommended

This report was prepared to provide interim information only. Therefore, no recommendations were made in this report.
December 20, 2022

MEMORANDUM FOR: ACTING COMMISSIONER OF INTERNAL REVENUE

FROM: Heather M. Hill
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season (Audit #202240621)

This report presents the results of our review of the Internal Revenue Service’s (IRS) efforts to address the backlogs of unworked inventories at its Tax Processing Centers during the 2022 Filing Season and the effect on taxpayers. This review is part of our Fiscal Year 2023 Annual Audit Plan and addresses the major management and performance challenge of Improving Taxpayer Service.

This report was prepared to provide information only. Therefore, we made no recommendations in the report. However, we provided IRS management officials with an advance copy of this report for review and comment prior to issuance.

Copies of this report are also being sent to the IRS managers affected by the report information. If you have any questions, please contact me or Diana Tengesdal, Acting Assistant Inspector General for Audit (Returns Processing and Account Services).
Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season

Table of Contents

Background ........................................................................................................................................Page 1

Results of Review ..........................................................................................................................Page 1

   Actions Taken to Address the Staffing Needs at the Tax Processing Centers ................................Page 2

   Although Inventories Are Improving, Some Will Not Be Healthy by the End of Calendar Year 2022 ..........................................................Page 4

   Accounts Management Inventories Will Remain Above Pre-Pandemic Levels ..........................................................Page 8

Appendices

   Appendix I – Detailed Objective, Scope, and Methodology ......................................................Page 10

   Appendix II – Glossary of Terms .............................................................................................Page 11

   Appendix III – Abbreviations ..................................................................................................Page 12
Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season

Background

Backlogs of tax returns and other types of tax account work from the 2021 Filing Season continued to affect the Internal Revenue Service’s (IRS) ability to provide timely service to taxpayers during the 2022 Filing Season. On March 10, 2022, the IRS announced several initiatives it planned to undertake as part of addressing the continuing backlog of tax returns and other tax account work. These initiatives, referred to as the Get Healthy Plan, are intended to return the IRS to healthy inventory levels by the end of Calendar Year (CY) 2022. The IRS defines “healthy” inventory levels as pre-pandemic inventory levels. Figure 1 provides an overview of selected Get Healthy Plan initiatives for addressing the backlog at the Tax Processing Centers as well as within the Accounts Management function.

Figure 1: Overview of the Get Healthy Plan Initiatives


Results of Review

This report presents the results of our continued assessment of the IRS’s efforts to reduce the backlog of tax returns and other types of taxpayer account work to pre-pandemic inventory levels. The results in this report are presented as of the end of October 2022, with a focus on

1 See Appendix II for a glossary of terms.
the IRS’s ability to reach its goal of a healthy inventory level before the start of the 2023 Filing Season. We will continue to assess the IRS’s efforts to address the backlog of tax returns and other tax account work and issue additional reports in CY 2023.\(^2\)

**Actions Taken to Address the Staffing Needs at the Tax Processing Centers**

We previously reported that at the end of CY 2021, a significant backlog of inventories associated with the 2021 Filing Season remained. We also reported that ongoing substantial hiring shortfalls of employees needed to fill mission-critical Tax Processing Center positions continued to hamper the IRS’s efforts to address these backlog inventories.\(^3\) For example, as of the end of the CYs 2020 and 2021, the total Submission Processing function staff at the Tax Processing Centers was 8,115 and 7,839, respectively.\(^4\)

During the 2022 Filing Season, the IRS took several steps to address staffing needs at its Tax Processing Centers. Despite these efforts, the backlog of tax returns waiting to be processed, and the resolution of other tax account work, continues to be a concern. As of the week ending October 28, 2022, these inventories collectively totaled 9.6 million returns compared to 10.8 million returns for the week ending October 30, 2021. Figure 2 provides a comparison of individual and business tax return inventory levels in various stages of processing as of the end of October 2021 and October 2022.

![Figure 2: Comparison of Submission Processing Individual and Business Tax Returns Inventory at the End of October 2021 and October 2022](image)

*Source: IRS inventory numbers provided to TIGTA weekly for the week ending October 30, 2021, and the week ending October 28, 2022; Get Healthy Goals are for the week ending October 28, 2022.*

The following illustrates the “all-hands-on-deck” approach that the IRS used to address staffing shortages and the backlog of work at the Tax Processing Centers:

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2 TIGTA, Audit No. 202340610, *Continued Assessment of the IRS’s Efforts to Address the Backlog During the 2023 Filing Season*; and TIGTA, Audit No. 202240622, *Assess the IRS’s Efforts to Address the Backlogged Accounts Management Inventory, Including Amended Returns*.


4 Staffing statistics provided by the IRS as of December 18, 2020, and December 30, 2021.
• **Small Business/Self-Employed Division Surge Teams:** In February 2022, the IRS began identifying employees in the Small Business/Self-Employed Division to assist working the backlog of inventories. For example, these employees prepared tax returns for data input, prepared tax returns for scanning, resolved tax returns with unpostable conditions, etc. These employees will remain assigned to the Tax Processing Centers through December 2022.

• **IRS Submission Processing Function Hiring Actions:** In March 2022, the IRS received direct hiring authority to meet its goal of hiring 5,000 employees.

• **Use of Contract Employees:** In April 2022, the IRS began hiring contract employees to perform clerical duties related to the processing of tax returns. These employees will remain at the Tax Processing Centers through December 2022. The IRS can extend these contracted resources until December 2023, if necessary.

• **Accounts Management Surge Teams:** In June 2022, employees in Accounts Management remote offices started working the backlog of amended tax returns (specifically, Forms 1040-X, *Amended U.S. Individual Income Tax Return*). These employees will remain at the Tax Processing Centers through November 2022, at which time they will return to Accounts Management and receive training to answer telephone calls for the 2023 Filing Season. On November 21, 2022, IRS management advised that Surge Team members will continue working amended returns through December 31, 2022.

Figure 3 provides a summary of the IRS’s staffing initiatives for the 2022 Filing Season.

**Figure 3: Status of IRS Staffing Initiatives**

The IRS implemented several initiatives during the 2022 Filing Season in an effort to address the staffing shortages.

- **IRS Submission Processing Hiring Actions:** 2,880 of 5,000 new employees hired as of September 27, 2022.
- **As of the week ending October 29, 2022:**
  - **Small Business/Self-Employed Division Surge Teams:** 663 of 800 employees from the Small Business/Self-Employed Division detailed to work in Submission Processing.
  - **Accounts Management Surge Teams:** 921 of 1,000 employees from the Accounts Management Call Centers worked in Submission Processing.
  - **Use of Contract Employees:** 1,230 of 2,500 contract employees hired to perform clerical duties related to the processing of tax returns.

*Source: TIGTA analysis of hiring and staffing metrics provided by the IRS.*

In addition, the IRS identified 47 employees from various other functions in the local commuting area who volunteered to work in the Submission Processing function. The IRS also considered other Surge Team alternatives to increase the number of individuals assisting with reducing the backlog. For example, paying travel expenses for Submission Processing function Headquarters employees to work at the Tax Processing Centers and seeking volunteers or requiring more than
2,600 employees from various other functions at the Tax Processing Centers to work Submission Processing inventory. As of August 2022, the IRS has not implemented these options.

**An automated Error Resolution correction tool was developed in response to prior TIGTA recommendations**

In response to our 2021 Filing Season reviews, the IRS implemented an automated Error Resolution correction tool, referred to as the FixERS tool. This tool shortened the time needed to resolve certain taxpayer errors that could result in delayed refunds and reduced the risk of IRS employee error.5

The IRS is using the FixERS tool during the 2022 Filing Season to address five common taxpayer errors when claiming the Earned Income Credit (with and without Schedule EIC, *Earned Income Credit*), Child Tax Credit, Recovery Rebate Credit, and Child and Dependent Care Credit. The tool systematically replaces the steps an IRS Error Resolution employee would take to resolve these errors and works them as part of the IRS Rejects inventory. IRS management stated that they chose these errors because they expected tax returns with these errors to be the most impactful on taxpayers during the 2022 Filing Season.

While the FixERS tool has enabled the IRS to considerably reduce the time frame to resolve tax return errors, the use of the tool is currently limited to only electronically filed (e-filed) tax returns with only these five error conditions. E-filed returns with additional error conditions and paper tax returns with any error condition must still be worked manually. IRS management stated that the tool is able to resolve approximately 250,000 tax returns a day, and that the returns worked using the FixERS tool are generally resolved within three work days of the error being identified. As of October 31, 2022, the IRS reports that almost 13.4 million tax returns identified for the FixERS tool were resolved using the tool.

**Although Inventories Are Improving, Some Will Not Be Healthy by the End of Calendar Year 2022**

Our assessment of the increased production levels (*i.e.*, the number of returns processed) and inventory remaining to be worked indicates that the IRS will not meet all of its goals by the end of CY 2022. As a result, the IRS will continue to have a backlog into the 2023 Filing Season. This occurred because not all hiring goals were met (including goals for contract employees), the initiatives did not start until later in the filing season, the time it took to hire and/or train new or reassigned employees, and the time needed for those employees to become proficient.

In June 2022, inventory levels peaked at 20.5 million individual and business tax returns due to new receipts.6 In comparison, there were 10.5 million tax returns as of the week ending October 28, 2022. More importantly, monthly production levels began to show improvement. For example, the number of tax returns processed per month rose by over 2.1 million when comparing June 2022 to October 2022.

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6 This includes individual and business paper tax returns awaiting processing, individual and business Error Resolution returns, individual and business unpostable returns, individual and business rejects, and Forms 1040-X.
Figure 4 shows inventory trends for CY 2022 and key implementation dates of the *Get Healthy Plan* initiatives.\(^7\)

**Figure 4: CY 2022 Year-to-Date Inventory Trends and Key Implementation of the *Get Healthy Plan* Initiatives**

![Inventory Trends and Key Implementation](image)

*Source: TIGTA analysis of IRS inventory tracker and Get Healthy Plan. Ending Inventory is as of the last week ending date of each month. Production represents the total number of returns processed each month without the Reject Production. Rejects Production represents paper closures and e-filed returns worked through the FixERS tool each month.*

The backlog of returns in process will continue into the 2023 Filing Season

The IRS set a goal to reach healthy inventory levels by the end of CY 2022. In April 2022, the IRS developed an inventory tracker to evaluate inventory levels each week in six different areas to monitor progress toward its goal. This includes:

- **Business Paper Returns Waiting Processing:** various types of business returns such as Forms 941, *Employer’s Quarterly Federal Tax Return*.
- **Error Resolution:** individual and business tax returns identified with an error condition are suspended from processing for correction.

\(^7\) The Rejects are provided separately because the Rejects Production includes data for e-filed returns worked through the FixERS tool.
Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season

- Rejects: individual and business tax returns that cannot be processed, usually due to missing or incorrect information. Tax examiners correspond with the taxpayer to clarify an entry on a return. When the taxpayer responds, the tax examiner will resolve the issue and the return will continue processing.

- Unpostable Returns: conditions on individual and business returns that failed validity checks must be resolved in order to complete processing of the tax return.

- Forms 1040-X processed by the Submission Processing function: when an amended tax return is received at an IRS Tax Processing Center, screeners in the Submission Processing function review and work the specific issues associated with the amended return filing and route those that meet certain conditions to Accounts Management for resolution.

The inventory tracker uses historical projected receipts combined with ending weekly inventories to project the number of closures needed for the remainder of the year to reach healthy inventory levels. The IRS compares weekly average closures to the closures needed to reach healthy inventory levels by December 31, 2022. Using the IRS inventory tracker, we estimated the date to reach the Get Healthy Plan goal and determined that the IRS will not meet all of its goals by the end of CY 2022. Based on this, the IRS will continue to have a backlog into the 2023 Filing Season.

When we discussed our estimates with the IRS on October 17, 2022, and November 21, 2022, the IRS provided additional considerations that further extended the amount of time to reach healthy inventory levels. These include:

- Significantly higher volumes of individual and business returns in processing until the end of December 2022. As a result, the IRS believes that the Error Resolution inventory will not reach healthy levels until January 2023, and the Unpostable Return inventory will not reach healthy levels until June 2023.

- Returns with error conditions are expected to be higher than the typical end of year volumes, and management does not expect to reach the Get Healthy goal for the Rejected Return inventory until June 2023.

- With Surge Team employees returning to Accounts Management, the amended returns inventory will not reach the Get Healthy goal until June 2023.

Figure 5 summarizes TIGTA’s estimates to reach IRS Get Healthy Plan goals and includes these additional considerations.8

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8 The projected remaining inventory depicted in Figure 5 does not match ending inventory in Figure 4 because Figure 5 includes estimated receipts through the week ending December 24, 2022.
Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season

Figure 5: Estimate to Reach the Get Healthy Plan Goal

<table>
<thead>
<tr>
<th>Function</th>
<th>Goal</th>
<th>Projected Remaining Inventory</th>
<th>Weekly Average of Returns Processed</th>
<th>Estimate to Reach Goal</th>
<th>On Target to Meet Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Paper Returns</td>
<td>106,000</td>
<td>3.1 million</td>
<td>533,000</td>
<td>December 2022</td>
<td>✓</td>
</tr>
<tr>
<td>Business Paper Returns</td>
<td>495,000</td>
<td>6.5 million</td>
<td>579,000</td>
<td>January 2023</td>
<td><img src="https://example.com/warning.png" alt="Warning" /></td>
</tr>
<tr>
<td>Error Resolution</td>
<td>48,000</td>
<td>2.9 million</td>
<td>494,000</td>
<td>January 2023*</td>
<td><img src="https://example.com/warning.png" alt="Warning" /></td>
</tr>
<tr>
<td>Rejected Returns</td>
<td>214,000</td>
<td>1.2 million</td>
<td>145,000</td>
<td>June 2023*</td>
<td><img src="https://example.com/warning.png" alt="Warning" /></td>
</tr>
<tr>
<td>Unpostable Returns</td>
<td>640,000</td>
<td>6.2 million</td>
<td>624,000</td>
<td>June 2023*</td>
<td><img src="https://example.com/warning.png" alt="Warning" /></td>
</tr>
<tr>
<td>Amended Returns</td>
<td>34,000</td>
<td>1.4 million</td>
<td>105,000</td>
<td>June 2023*</td>
<td><img src="https://example.com/warning.png" alt="Warning" /></td>
</tr>
</tbody>
</table>

Source: TIGTA analysis of IRS inventory tracker provided for the week ending October 28, 2022. * Adjusted to include further inventory considerations discussed with the IRS on October 17, 2022, and November 21, 2022.

In our discussions with IRS management on November 21, 2022, they believed that they will be healthy for both individual and business paper tax returns by the end of December 2022. Management indicated that they are leveraging resources used to process individual returns to instead work business returns through the Service Center Recognition/Image Processing System to accomplish their goal of being healthy. However, we remain concerned that business paper returns will not be healthy at the end of CY 2022.

Our concern is based on the need to also complete the processing of third-party information returns, work that is also accomplished through the Service Center Recognition/Image Processing System. As of October 5, 2022, almost 18.7 million information returns needed to be processed with a completion goal of December 23, 2022. Many of the same staff needed to process both individual and business tax returns will be shifted to process these information returns, further limiting the IRS’s ability to get healthy. In response to concerns over the processing of information returns during the 2021 Filing Season, the IRS advised that it gave priority to processing of the information returns and moved staffing to accommodate this request. IRS management subsequently advised that the processing of about 28.5 million information return documents was completed by December 15, 2021. However, during the 2021 Filing Season, there were no other competing priorities to get healthy.

When we asked IRS management about their plans to continue addressing the backlogs into the 2023 Filing Season, management stated that in addition to extending the Accounts Management Surge Teams to December 31, 2022, they plan to:

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9 Projected Remaining Inventory and Weekly Average of Returns Processed numbers are rounded.
10 Weekly Average of Returns Processed represents the average of closures for the previous four weeks.
• Continue to use direct hire authority for Fiscal Year 2023 hiring.
• Assign more tax examiners to the Rejects and Unpostables inventories during the 2023 Filing Season.
• Identify and assign additional Surge Teams to the processing of information returns and Forms 1040-X processed by the Submission Processing function. For example, the IRS advised on December 6, 2022, that it identified almost 1,000 employees who volunteered to assist with the processing of third-party information returns.
• Continue to use contract employees in CY 2023.

Accounts Management Inventories Will Remain Above Pre-Pandemic Levels

In February 2022, employees from other functions were detailed to assist working Accounts Management inventories. Our assessment of the Accounts Management inventories indicates that they will not return to pre-pandemic levels by the end of CY 2022. As a result, the IRS will once again have a backlog of this work in the 2023 Filing Season. This occurred due to higher than projected receipts of some inventories and because the IRS did not establish goals for all Accounts Management inventories. Without clear goals, IRS management may not take additional efforts to prioritize and/or reduce the inventory levels. Figure 6 shows a summary of the Accounts Management inventory types, the inventory amounts as of October 29, 2022, and whether or not the IRS established a goal for the inventory.

Figure 6: Summary of Estimated Dates to Reach the Get Healthy Plan Goal for Accounts Management Inventories

<table>
<thead>
<tr>
<th>Accounts Management Inventory Type</th>
<th>Description</th>
<th>IRS Goal</th>
<th>Remaining Inventory</th>
<th>Weekly Average Processed</th>
<th>TIGTA Estimated Completion</th>
<th>On Target to Meet Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustments</td>
<td>Correspondence, complex amended returns, carryback claims, etc.</td>
<td>1 million</td>
<td>2.3 million</td>
<td>298k</td>
<td>4/5/2023</td>
<td>X</td>
</tr>
<tr>
<td>Taxpayer Relations</td>
<td>Refund inquiries, technical statutes, and accounts maintenance transcripts.</td>
<td>N/A</td>
<td>2.7 million</td>
<td>89k</td>
<td>N/A</td>
<td>X</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>Identity theft victim assistance, centralized authorization file, etc.</td>
<td>N/A</td>
<td>506k</td>
<td>119k</td>
<td>2/6/2029</td>
<td>X</td>
</tr>
</tbody>
</table>

Source: TIGTA analysis of IRS Accounts Management Inventory Reports as of October 29, 2022.

As shown in Figure 6, the Taxpayer Relations inventory of 2.7 million and the Miscellaneous inventory of 506,000 remain well above the January 4, 2020, pre-pandemic levels of 1 million and 169,000, respectively. In addition, the IRS is receiving almost as many new cases into its Miscellaneous Accounts Management inventory as it is processing weekly, resulting in an estimated completion in early 2029.

\textsuperscript{11} TIGTA’s estimated completion dates for the Adjustments and Miscellaneous inventories were calculated using the average receipts and closures for CY 2022. Specifically, we calculated the number of cases closed weekly in excess of average receipts (i.e., average receipts – average cases processed). We divided the remaining inventory by excess cases closed weekly to identify the number of weeks it would take to process the remaining inventory. We added those weeks to the ending inventory dates for October 29, 2022. During CY 2022, the Taxpayer Relations inventory had more receipts than closures, on average; therefore, an estimated completion date cannot be determined.
Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season

We are conducting a separate review to evaluate the backlog of Accounts Management inventories, identify ways the IRS can more timely and efficiently work through the backlog of inventory, determine whether or not the IRS actually achieved pre-pandemic levels by the end of CY 2022, and determine the impact of the IRS’s efforts to move employees from other IRS functions to assist with Accounts Management inventories. We plan to issue this report in the Spring of 2023.\textsuperscript{12}

\textsuperscript{12} TIGTA, Audit No. 202240622, \textit{Continued Assessment of the IRS’s Efforts to Address the Backlog of Overaged Accounts Management Inventory}. 
Appendix I

Detailed Objective, Scope, and Methodology

The overall objective was to assess the IRS’s efforts to address backlogs of unworked inventories at its Tax Processing Centers during the 2022 Filing Season and the effect on taxpayers. To accomplish our objective, we:

- Assessed the IRS’s efforts to address the backlog of unworked inventory affecting both individual and business taxpayers.
- Assessed the IRS’s progress to staff the Tax Processing Centers to meet workload demands and address backlogged inventories.
- Assessed and monitored current Accounts Management and amended return inventories to determine if management is prioritizing the inventories appropriately to reach pre-pandemic levels by the end of CY 2022.

Performance of This Review

This review was performed at the Wage and Investment Division, Submission Processing function in Kansas City, Missouri; Austin, Texas; and Ogden, Utah, during the period April through October 2022. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major contributors to the report were Diana Tengesdal, Acting Assistant Inspector General for Audit (Returns Processing and Account Services); Darryl Roth, Director; Brian Foltz, Audit Manager; Cally Sessions, Lead Auditor; Cindy Hung, Auditor; Lorenzo Moss, Auditor; and Julia Woods, Auditor (Applied Research and Technology).

Internal Controls Methodology

Internal controls relate to management’s plans, methods, and procedures used to meet their mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations. They include the systems for measuring, reporting, and monitoring program performance. We determined that the following internal controls were relevant to our audit objective: timely and accurately addressing the backlogs of tax returns and other correspondence, and assessing compliance with files and records at the Tax Processing Centers to prevent inadvertent disclosures of taxpayer information. We evaluated these controls by meeting with IRS management, reviewing IRS procedures, and reviewing IRS reports.
### Glossary of Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Management Function</td>
<td>An IRS function where employees handle taxpayer contacts by answering tax law/account inquiries and adjusting tax accounts. In addition, the function is responsible for providing taxpayers with information on the status of their returns/refunds and for resolving the majority of issues and questions to settle their accounts.</td>
</tr>
<tr>
<td>Calendar Year</td>
<td>Twelve consecutive months beginning January 1 and ending December 31.</td>
</tr>
<tr>
<td>Direct Hire Authority</td>
<td>Provides agencies the ability to hire individuals into permanent and nonpermanent positions more efficiently during a severe shortage of candidates or during a critical hiring need.</td>
</tr>
<tr>
<td>Error Resolution</td>
<td>An online computer application used by tax examiners to correct errors identified on individual or business tax returns during processing.</td>
</tr>
<tr>
<td>Filing Season</td>
<td>The period from January through mid-April when most individual income tax returns are filed.</td>
</tr>
<tr>
<td>Rejects</td>
<td>Individual or business tax returns that cannot be processed, usually due to missing or incorrect information. Tax examiners correspond with the taxpayer to clarify an entry on a return. When the taxpayer responds, the tax examiner will resolve the issue and the return will continue processing.</td>
</tr>
<tr>
<td>Service Center Recognition/Image Processing System</td>
<td>A data capture, management, and storage system that uses high-speed scanning and digital imaging technology to process tax documents.</td>
</tr>
<tr>
<td>Submission Processing Function</td>
<td>The data processing arm of the IRS. The sites process paper and electronic submissions, correct errors, and forward data to the Computing Centers for analysis and posting to taxpayer accounts.</td>
</tr>
<tr>
<td>Unpostable Returns</td>
<td>Transactions that will not post to the taxpayer’s account because they failed validity checks. The unpostable condition must be resolved in order to complete processing of the transaction.</td>
</tr>
</tbody>
</table>
## Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>CY</td>
<td>Calendar Year</td>
</tr>
<tr>
<td>E-Filed</td>
<td>Electronically Filed</td>
</tr>
<tr>
<td>IRS</td>
<td>Internal Revenue Service</td>
</tr>
<tr>
<td>TIGTA</td>
<td>Treasury Inspector General for Tax Administration</td>
</tr>
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</table>
To report fraud, waste, or abuse, call our toll-free hotline at:

(800) 366-4484

By Web:

www.treasury.gov/tigta/

Or Write:
Treasury Inspector General for Tax Administration
P.O. Box 589
Ben Franklin Station
Washington, D.C. 20044-0589

Information you provide is confidential, and you may remain anonymous.