

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



Interim Results of the 2025 Filing Season

June 6, 2025

Report Number: 2025-400-026

HIGHLIGHTS: Interim Results of the 2025 Filing Season

Final Audit Report issued on June 6, 2025

Report Number 2025-400-026

Why TIGTA Did This Audit

This audit was initiated to provide interim, selected information related to the IRS's 2025 Filing Season as of March 1, 2025, depending on when the information was available.

The audit evaluated the processing of individual income tax returns during the 2025 Filing Season.

Impact on Tax Administration

The annual tax return filing season is a critical time for the IRS because this is when most individuals file their income tax returns and contact the IRS if they have questions about specific tax laws or filing procedures.

The 2025 Filing Season officially opened on January 27, 2025. Before the IRS begins accepting tax returns from the public, it goes through a process called a "controlled launch." This is where the IRS tests its electronic filing (e-file) system by receiving and processing a limited number of tax returns from various electronic filing transmitters. The controlled launch occurred from January 15 through January 24, 2025.

During the 2025 Filing Season, the IRS expects to receive more than 140 million individual tax returns. In addition, the IRS will assist millions of taxpayers through its various customer service initiatives.

Our review summarizes activity within the Submission Processing function (which generally processes tax returns) and the Accounts Management function (which generally handles taxpayer contacts and adjusts tax accounts).

What TIGTA Found

As of the week ending March 1, 2025, the IRS has received more than 52.4 million individual tax returns, with 98 percent electronically-filed. The IRS also issued 36.9 million refunds. The individual income tax returns received decreased by 3 percent and the number of refunds issued increased by nearly 2 percent.

The IRS made significant progress reducing the inventory of amended tax returns waiting to be processed by the Submission Processing function. However, several of the IRS's tax return processing inventories are significantly over-aged. For example, 64 percent of the amended tax returns to be processed by the Accounts Management function did not meet the IRS's 45-day processing goal.

The IRS continues to detect and prevent the issuance of refunds identified as fraudulently filed. For example, the IRS confirmed approximately 6,000 tax returns as identity theft, preventing the issuance of \$54 million in fraudulent refunds as of February 2025. In addition, the IRS also attempts to proactively prevent identity theft by issuing Identity Protection Personal Identification Numbers. The IRS issued 6.3 million numbers as of March 1, 2025.

As of March 1, 2025, the IRS reports that 4.5 million calls were answered by IRS assistors, with an 87 percent Level of Service and a 3.4-minute Average Speed of Answer. The Level of Service dropped from 91 percent and the Average Speed of Answer increased from 2.4 minutes for the 2024 Filing Season. The Level of Access, which TIGTA previously developed to measure the total number of calls seeking assistance that ultimately receive assistance from the IRS, was 30.2 percent.

In addition, the IRS prepared 1 million tax returns at Volunteer Program sites, served more than 930,000 taxpayers at its Taxpayer Assistance Centers, and processed more than 83,000 tax returns submitted through Direct File. Millions of taxpayers used the IRS's self-assistance options that enabled taxpayers to access information. For example, the IRS reported 191.7 million visits to IRS.gov and 34 million views of its social media platforms.

Recent developments such as the governmentwide hiring freeze, a second Deferred Resignation Program, announced Reductions in Force, *etc.* will have significant impacts on IRS operations. Certain critical filing season positions were exempt from the Deferred Resignation Program through at least May 15, 2025. Consequently, there has not been an impact to the 2025 Filing Season. However, IRS management indicated they expect to lose approximately 450 Submission Processing function employees through the first Deferred Resignation Program and approximately 1,400 through the second. They anticipate the losses will impact their processing times.

What TIGTA Recommended

This report was prepared to provide information only.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

U.S. DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20024

June 6, 2025

MEMORANDUM FOR: COMMISSIONER OF INTERNAL REVENUE

A handwritten signature in black ink that reads "Diana M. Tengesdal".

FROM: Diana M. Tengesdal
Acting Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Interim Results of the 2025 Filing Season
(Audit No.: 2025400012)

This report presents the results of our review to evaluate the processing of individual income tax returns for the 2025 Filing Season. This review is part of our Fiscal Year 2025 Annual Audit Plan and addresses the major management and performance challenges of *Tax Law Changes* and *Taxpayer Service*.

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

If you have any questions, please contact me or Deann Baiza, Acting Assistant Inspector General for Audit (Returns Processing and Account Services).

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Background

The annual tax return filing season is a critical time for the Internal Revenue Service (IRS) because it is when most individuals file their income tax returns and contact the IRS if they have questions about specific tax laws or filing procedures.¹ Although there were no major tax law changes affecting the 2025 Filing Season, we have ongoing work to follow up on key provisions of the Inflation Reduction Act.² For example, we are in the process of assessing the IRS's expansion of the Direct File program for the 2025 Filing Season and the IRS's processing controls for tax returns claiming an elective payment or transfer of credit related to clean energy tax credits.

In addition, we continue to evaluate the IRS's efforts to transform tax administration. Since the passage of the Inflation Reduction Act in August 2022, the IRS initiated projects to improve the taxpayer experience, such as expanding the information and tools available to taxpayers through their Individual Online Account, enhancing the scanning of individual paper tax returns, and expanding hours and staffing at Taxpayer Assistance Centers (TAC). The IRS Transformation and Strategy Office was put in place to provide oversight of the IRS's collective implementation of IRA efforts. However, in March 2025, the IRS announced it was disbanding this office and reassigning the work to the appropriate business units and in April 2025, the IRS notified staff that Reduction in Force activities are underway.

Results of Review

This report presents the interim results of our review to evaluate whether the IRS is timely and accurately processing individual paper and electronically filed (e-filed) tax returns during the 2025 Filing Season. The results are presented as of approximately March 1, 2025, depending on when the information was available. Our review summarizes activity within the Submission Processing function (which generally processes tax returns) and the Accounts Management function (which generally handles taxpayer contacts and adjusts tax accounts).



Processing Tax Returns

Individual Tax Return Receipts Decreased Slightly From Last Year

The 2025 Filing Season officially began when the IRS started accepting tax returns on January 27, 2025. Before the IRS begins accepting tax returns from the public, it goes through a process called a "controlled launch." This is where the IRS tests its e-file system by receiving and processing a limited number of tax returns from various e-file transmitters. The IRS can then disable or correct known issues with business rules. For example, during the controlled launch,

¹ See Appendix II for glossary of terms.

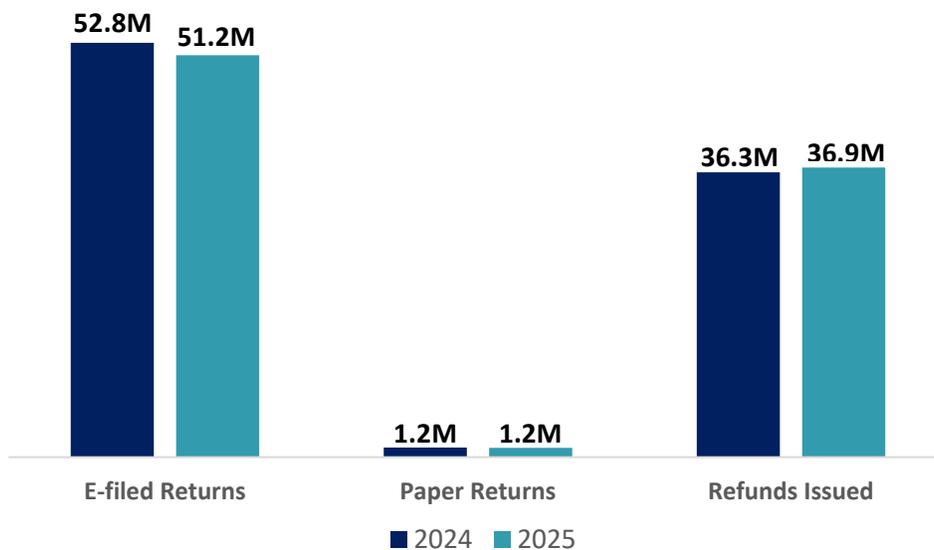
² Pub. L. 117-169, 136 Stat. 1818.

which occurred from January 15 through January 24, 2025, the IRS identified an issue with a business rule incorrectly rejecting individual tax returns and alerting taxpayers to high withholding when there was no withholding reported by the taxpayer. This rule was disabled by the IRS prior to the start of the filing season while corrective actions were developed.

During the 2025 Filing Season, the IRS expects to receive more than 140 million individual tax returns. As of the week ending March 1, 2025, the IRS has received more than 52.4 million individual tax returns, with 98 percent of them e-filed. Additionally, taxpayers continue to use the IRS offered free filing options. Of the 52.4 million tax returns filed, 1.1 million tax returns (2 percent) were filed through the IRS’s Free File Program and more than 83,000 tax returns (less than 1 percent) through Direct File. As of the same time last year, the individual income tax returns received by the IRS decreased by 3 percent and the number of refunds issued to taxpayers increased by nearly 2 percent.

Figure 1 compares the number of individual income tax returns received and refunds issued during the 2024 and 2025 Filing Seasons.

Figure 1: Individual Tax Return Receipts Decreased While Refunds Increased



Source: IRS management report as of March 1, 2025. M = Millions.

Progress was made in reducing overage inventories

The IRS establishes timeliness goals for its various tax return processing programs. The goals reflect the desired number of days/weeks it should take to work a tax return from receipt in the program’s inventory. The IRS made significant progress reducing the inventory of amended tax returns waiting to be processed by the Submission Processing function. According to IRS management, this was made possible by the Accounts Management function providing employees to work this inventory during the latter part of Calendar Year (CY) 2024.

Figure 2 provides the inventory levels in key tax return processing programs as of the week ending March 1, 2025, along with the percentage of the inventory that is aged and the program’s timeliness goal.

Figure 2: Overage Inventory Decreased in Most Key Tax Return Processing Inventories When Compared to Calendar Year 2024

Inventory	Goal	CY 2024		CY 2025	
		Count	% Overaged	Count	% Overaged
Amended Returns (AM)	< 45 days	502K	63.1%	578K	63.6%
Amended Returns (SP)	< 30 days	448K	73.1%	113K	35.2%
Unpostables	< 15 weeks	433K	43.8%	269K	37.6%
Rejects	< 60 days	496K	3.4%	363K	8.7%
Error Resolution	< 5 days	152K	0.4%	145K	0.1%
Paper Tax Returns	< 14 days	285K	N/A	330K	N/A ³

Source: IRS provided weekly inventory levels as of the week ending March 1, 2025.

K = Thousands, AM = Accounts Management and SP = Submission Processing. Inventory definitions are available in the glossary.

In May 2023, we reported that automating the processing of individual amended tax returns would reduce the burden on taxpayers waiting for their amended tax returns to be processed, and the benefits would far outweigh the associated costs.⁴ For example, we estimated that the IRS would potentially save more than \$322 million in yearly processing costs by automating the processing of amended tax returns (not considering interest). We recommended, and the IRS agreed, to prioritize funding and the implementation of automated processing for these tax returns. Although the IRS is accepting individual amended tax returns electronically, once received, the IRS must still manually review the returns and adjust the taxpayer’s tax account. We plan to further evaluate the IRS’s efforts to modernize amended tax return processing during CY 2025.

Submission Processing continues to face challenges in hiring

As reported in previous years, the Accounts Management function continues to meet its hiring goals. However, the Submission Processing function continues to not meet its hiring goals. According to our discussions with IRS management, Direct Hiring Authority has assisted in their hiring efforts, but they continue to struggle attracting employees, particularly at the Kansas City Tax Processing Center. IRS management stated that this was further exacerbated by the hiring freeze and rescission of approximately 2,200 Submission Processing function employee job offers after an executive order issued on January 20, 2025.⁵

³ According to the IRS, it does not track the percentage of paper tax returns that do not meet the < 14 days goal.

⁴ TIGTA, Report No. 2023-46-026, [Additional Actions Are Needed to Reduce Accounts Management Function Inventories to Below Pre-Pandemic Levels](#) (May 2023).

⁵ [Hiring Freeze](#), 90 Fed. Reg. 8247 (Jan. 20, 2025).

In addition, the administration introduced the Deferred Resignation Program in January 2025 which generally allowed employees to voluntarily resign while being paid through September 2025. The Secretary of the Department of the Treasury exempted critical filing season positions from the Deferred Resignation Program through at least May 15, 2025. Therefore, there has not been an impact on the 2025 Filing Season. However, IRS management indicated that they expect to lose approximately 450 Submission Processing function employees through the first Deferred Resignation Program and anticipate the losses will impact their processing inventories.

Recent developments such as the governmentwide hiring freeze, a second Deferred Resignation Program, the issuance of termination notices to probationary employees, and announced Reductions in Force will have significant impacts on IRS operations. For example, in April 2025, the IRS extended the Treasury Deferred Resignation Program to its employees. According to the IRS, over 23,000 employees applied for the program, and approximately 13,000 were approved as of April 22, 2025.⁶ IRS management indicated that they expect to lose approximately 1,400 Submission Processing function employees through the second Deferred Resignation Program.

Figure 3 shows the hiring goals and number of employees onboarded for the Accounts Management and Submission Processing functions as of January 27, 2025, and January 30, 2025, respectively.

Figure 3: Submission Processing’s Hiring Goal Was Not Met for Fiscal Year 2025



Source: IRS provided hiring statistics for Fiscal Year 2025.

⁶ Until the Deferred Resignation Program is fully executed, the figures are a snapshot in time as employees make decisions and agreements are executed.

New and modified e-file business rules are generally working as intended

The IRS uses business rules to identify errors on e-filed tax returns at the time the tax returns are filed. We selected 36 new or modified business rules to determine whether the IRS was accurately rejecting tax returns when applicable, and conversely, whether any tax returns were accepted for processing that should have been rejected.

As of February 15, 2025, our review of the 36 business rules found that:

- 18 business rules (50 percent) had no tax returns rejected yet. We will continue to monitor/test and report on their accuracy later in CY 2025.⁷
- 15 business rules (42 percent) had tax returns rejected. We determined that 14 of the 15 business rules were accurately rejecting tax returns and were not erroneously accepting tax returns for processing. In January 2025, the IRS identified that a programming fix was needed for one of the business rules. However, according to the IRS, this fix was not implemented until February 20, 2025. Therefore, we will test and report on its accuracy later in CY 2025.
- 3 business rules (8 percent) were temporarily disabled by the IRS after 11 tax returns were erroneously rejected. All three business rules were related to Form 8835, *Renewable Electricity Production Credit*. The IRS began implementing fixes in March 2025. We will also monitor/test and report on the accuracy of these three rules later in CY 2025.

In addition, we determined that 288 business rules, which were documented as being deleted or disabled, were accurately deleted or disabled for Tax Year 2024, *i.e.*, no tax returns were rejected for these business rules.

The IRS expanded the use of the automated Error Resolution correction tool

FixERS is an automated Error Resolution correction tool that systemically replaces the steps an IRS Error Resolution employee would take to resolve the identified tax return errors. The IRS has expanded the FixERS tool each filing season, bringing the total to 29 error codes for the 2025 Filing Season.

As of February 28, 2025, the IRS reports that 247,220 tax returns were added to the IRS's FixERS tool for potential systemic resolution. From this population, 151,996 (61 percent) tax return errors were systemically resolved while 95,224 (39 percent) tax return errors were sent for manual processing. IRS management noted the high percentage of error work being manually processed is typical for this time of the processing year.

⁷ TIGTA, Audit No. 2025400013, *2025 Filing Season (Final)*.



Detecting and Preventing Tax Refund Fraud

Fraud Detection Processes Continue to Prevent and Detect the Issuance of Millions of Dollars in Fraudulent Refunds

The IRS continues to detect and prevent the issuance of refunds on tax returns identified as fraudulently filed or filed by identity thieves. In addition, the IRS also attempts to proactively prevent identity theft by issuing Identity Protection Personal Identification Numbers (IP PIN), as discussed later in this report.

Most fraudulent tax returns identified are stopped before the refund is paid

Each year, the IRS identifies numerous tax returns with known fraudulent schemes. As of February 22, 2025, the IRS has stopped over \$900 million in fraudulent refunds.

Depending upon when the scheme was identified, the IRS may be able to stop the tax return and associated refund from being paid. If a scheme was identified after the refund was paid, the IRS still identifies the tax return, and then other functions may select these tax returns for post-refund compliance processes.

Figure 4 shows the number of fraudulent tax returns identified and stopped in CYs 2024 and 2025. IRS management cited several reasons for the increase in the number of fraudulent tax returns identified. For example, schemes publicized on social media increased the number of fraudulent tax returns.

Figure 4: More Fraudulent Tax Returns Were Identified and Stopped

Calendar Year	Returns Identified	Amount Identified	Returns Stopped	Amount Stopped
2024	32,616	\$272.7M	30,867	\$262.7M
2025	58,276	\$916.3M	57,022	\$908.3M

Source: IRS fraudulent tax return statistics as of February 24, 2024, and as of February 22, 2025. M = Millions.

Fewer tax returns involving identity theft were detected

The IRS uses identity theft filters to detect tax returns with characteristics of confirmed identity theft, including amounts claimed for income and withholding, filing requirements, prisoner status, taxpayer age, and filing history. Tax returns identified by these filters are held during processing until the IRS can verify the taxpayer's identity. Taxpayers can use their IRS online account or a dedicated toll-free telephone number to verify their identity. The IRS strives to process the taxpayer's tax return and issue the refund within nine weeks of the taxpayer successfully verifying their identity.

If the individual's identity cannot be confirmed, the IRS removes the tax return from processing to prevent the issuance of a fraudulent refund. For the 2025 Filing Season, the IRS is using 295 filters to detect potential identity theft tax returns and prevent the issuance of fraudulent

refunds. In comparison, the IRS used 282 filters for the 2024 Filing Season. We are currently assessing the IRS’s Service-wide revenue protection strategy for individual tax returns and plan to issue a report later in CY 2025.

Figure 5 shows the number of identity theft tax returns the IRS identified and subsequently confirmed as fraudulent in Processing Years (PY) 2024 and 2025. IRS management stated that the decrease in the number of fraudulent tax returns confirmed as identity theft was because two of its identity theft filters incorrectly identified more tax returns than expected during PY 2024. Management also stated that these two filters were updated and are now identifying the appropriate tax returns. In addition, an update is under consideration for a third filter that was not performing as expected. Management also stated that a large listing of Taxpayer Identification Numbers was added by the IRS’s Cybersecurity Fraud Analytics and Monitoring unit during PY 2024 resulting in an increase in tax returns identified.

Figure 5: Confirmed Identity Theft Tax Returns Decreased

Processing Year	Tax Returns Identified	Amount Identified	Tax Returns Confirmed	Amount Protected
2024	2.0M	\$19.2B	15K	\$180.5M
2025	678K	\$5.4B	6K	\$53.9M

Source: IRS provided fraudulent tax return statistics as of February 29, 2024, and February 24, 2025. B = Billions, K = Thousands, and M = Millions.

The issuance of IP PINs continues to help prevent identity theft

The IRS uses the IP PIN, a six-digit number assigned to eligible taxpayers, to help prevent an identity thief from filing a fraudulent federal income tax return using a legitimate taxpayer’s Social Security Number (SSN).⁸ The IP PIN is known only to the taxpayer and the IRS. It acts as an authentication number to validate the owner of the SSN listed on the tax return. This helps the IRS verify the taxpayer’s identity when they file their tax return.

The IRS automatically issues an IP PIN to confirmed identity theft victims if the case is resolved prior to the start of the next filing season. These taxpayers will continue to receive an IP PIN notice before each filing season thereafter. In addition, taxpayers can voluntarily request an IP PIN through their Individual Online Account.

Figure 6 shows the number of IP PINs issued to taxpayers for use in filing tax returns for PYs 2024 and 2025.

⁸ Anyone who has an SSN or an Individual Taxpayer Identification Number and can verify their identity is eligible to enroll in the IP PIN program.

Figure 6: The Number of IP PINs Issued Increased

Method of Issuance	PY 2024	PY 2025
Taxpayer Requested (Online)	382K	473K
IRS Issued (Paper)	4.6M	5.8M
TOTAL	5.0M	6.3M

Source: IRS provided IP PIN statistics as of March 2, 2024, and March 1, 2025. K = Thousands and M = Millions.

In November 2024, the IRS announced that it was making it easier for taxpayers to protect their information and avoid refund delays by accepting certain e-filed tax returns that claim dependents who have already been claimed on another taxpayer’s tax return. The primary taxpayer on the second tax return would need to have a valid IP PIN to process the e-filed tax return. Previously, the second tax return would have to be filed on paper. We are conducting an audit to determine whether accepting these e-filed tax returns with duplicate dependents increases improper payments and will issue a report in CY 2025.

The number of prisoner tax returns stopped decreased from last year

To combat refund fraud associated with tax returns filed using prisoner SSNs, the IRS compiles a list of prisoners, referred to as the Prisoner File.⁹ The IRS uses this list to identify tax returns filed using a prisoner’s SSN for additional screening. Figure 7 shows the number of tax returns identified with a prisoner SSN and stopped as fraudulent in CYs 2024 and 2025. IRS management stated that the decrease in the number of prisoner tax returns stopped and the amount protected for CY 2025 was partly due to less tax returns claiming the Economic Impact Payment/Recovery Rebate Credit.

Figure 7: Fewer Prisoner Tax Returns Were Detected and Stopped

Calendar Year	Returns Detected	Returns Stopped	Amount Protected
2024	15,189	2,170	\$5.1M
2025	14,625	5	\$43.2K

Source: IRS fraudulent tax return prisoner strategy statistics as of February 24, 2024, and February 22, 2025. K = Thousands and M = Millions.

We continue to identify concerns with deceased account locks

The IRS locks the tax accounts of deceased individuals. When tax accounts are locked, e-filed tax returns are rejected, and paper-filed tax returns are prevented from posting to the Master File. In August 2023, we reported that we identified thousands of taxpayers whose tax accounts were potentially erroneously locked as deceased.¹⁰ We made seven recommendations to the IRS to

⁹ The Prisoner File contains information received from the Federal Bureau of Prisons and State Departments of Corrections as well as Prisoner Update Processing System data from the Social Security Administration.

¹⁰ TIGTA, Report No. 2023-40-044, [Indicators Used to Prevent Filing of Tax Returns for Deceased Taxpayers Were Incorrectly Placed on Some Taxpayer Accounts](#) (August 2023).

improve the accuracy of the account locks, identify the cause of erroneous account locks, and update the notice to taxpayers to explain that they can work with the IRS to resolve erroneous account locks. The IRS agreed with six of the recommendations. However, the IRS did not agree to update the notice to taxpayers.

We are currently analyzing the accuracy of the deceased account locks and have continued to identify concerns. We will report on our concerns later in CY 2025.



Providing Customer Service

Millions of Taxpayers Were Assisted by Customer Service Initiatives

The IRS assists millions of taxpayers online via its website, *i.e.*, IRS.gov, mobile tools, and social media platforms. The IRS also assists via the telephone, as well as face-to-face assistance at its TACs, Volunteer Income Tax Assistance sites, and Tax Counseling for the Elderly sites. In addition, the IRS provides the processing status of tax forms on IRS.gov. For example, as of March 21, 2025, the IRS reported that it is processing original individual tax returns received during March 2025 and amended individual tax returns received during October 2024. In addition, the IRS reported that individual e-filed tax returns are generally processed within 21 calendar days.

Online Account users grew

The IRS provides self-assistance options that enable taxpayers to access the information they need 24 hours a day, 7 days a week. The most notable self-assistance option is IRS.gov. The IRS's website provides several online/mobile tools to assist taxpayers. The IRS reported 191.7 million visits to IRS.gov for the 2025 Filing Season as of March 1, 2025. In addition, the number of Online Account users continues to grow. An online account allows taxpayers to view specific details about their federal tax account, such as how much they owe or their payment history. Other features that are available to taxpayers when they logon to their online account include the ability to view the status of an audit and electronically sign a Power of Attorney form.

Figure 8 provides examples of these online or mobile tools and the number of times it was used or the total number of users.

Figure 8: Usage of Online or Mobile Tools

Tool		PY 2024 Uses	PY 2025 Uses
	Where's My Refund? Allows taxpayers to check the status of their refund using the most up-to-date information available to the IRS.	192.1M	209.7M
	Where's My Amended Return? Allows taxpayers to check the status of their amended tax return using the most up-to-date information available to the IRS.	1.5M	1.1M
	Interactive Tax Assistant Allows taxpayers to obtain responses to tax law questions by taking them through a series of questions.	0.8M	0.7M
		Users	Users
	Online Accounts Allows individuals, businesses, and tax professionals to view specific details about their federal tax account. For example, the amount owed, payment history, etc.	39.5M	51.5M ¹¹
		Active Users	Active Users
	IRS2Go Allows taxpayers to check the status of their tax refund, make a payment, find free tax preparation, etc., through mobile application.	5.2M	4.8M

Source: IRS management information reports and statistics as of the weeks ending March 2, 2024, and March 1, 2025, except for Online Accounts data that was through February 22, 2025. M = Millions.

IRS social media followers and views increased from last year

The IRS also uses social media platforms to share the latest information on tax changes, scam alerts, initiatives, and products and services. In addition, the IRS provides short and informative online videos. Figure 9 shows a comparison of the IRS's reported social media followers and views for CYs 2024 and 2025.¹²

¹¹ Due to IRS reporting issues, this does not include data from February 9 through February 11, 2025.

¹² Individuals may use more than one social media platform. Therefore, it would not be appropriate to consider the total number of followers as unique individuals.

Figure 9: Social Media Followers and Views Increased

Calendar Year	Followers	Views
2024	1.3M	31.2M
2025	1.4M	34.0M

Source: IRS provided statistics as of March 6, 2024, and February 28, 2025. M = Millions.

More telephone calls were answered, but levels of service and access decreased

The IRS provides individual taxpayers with telephone assistance Monday through Friday from 7:00 am to 7:00 pm local time. According to the IRS, during the filing season, wait times can average three minutes. During periods of high call volume, *i.e.*, when wait times exceed 15 minutes, the IRS offers taxpayers with a callback option instead of waiting on hold.

Figure 10 shows a comparison of telephone performance statistics for CYs 2024 and 2025. The Level of Access, which TIGTA developed, is less than the IRS’s reported Level of Service. The Level of Access uses the total number of calls seeking assistance that ultimately receive assistance from the IRS. In contrast, the IRS’s Level of Service uses calls routed to an assistor that ultimately receive assistance from the IRS.

Figure 10: More Telephone Calls Were Answered While the Level of Service and Access Decreased

Calendar Year	Assistor Calls Answered	IRS Calculated Level of Service	Average Speed of Answer	TIGTA-Developed Level of Access ¹³
2024	4.3M	91%	2.4 minutes	51.2%
2025	4.5M	87%	3.4 minutes	30.2%

Source: IRS management information reports as of March 2, 2024, and of March 1, 2025. M = Millions.

The TACs continue to service more taxpayers in a variety of methods

TACs are local offices staffed by IRS employees nationwide who are trained to provide a variety of services, including answering tax account questions, taking cash payments, and authenticating the identity of individuals who have been identified as potential victims of tax-related identity theft.

Figure 11 shows that the IRS has served more than 930,000 taxpayers via TACs as of March 1, 2025, an increase of nearly 22 percent from Fiscal Year (FY) 2024.

¹³ The TIGTA-Developed Level of Access calculation uses the total automated calls answered. This dropped from 4 million in CY 2024 to 118,000 for CY 2025. According to the IRS, this reporting does not include new automation services handled in the new voice bot platform. IRS management is working to consolidate the reporting of all automation services.

Figure 11: More Taxpayers Were Served by TACs

	Method	FY 2024	FY 2025
	<p>Telephone</p> <p>The IRS generally requires all taxpayers wishing to use a TAC service to call its appointment telephone line. The IRS attempts to resolve a taxpayer’s question to prevent the need for an in-person visit.</p>	320,484	359,767
 Mon. – Fri.	<p>In-Person (Normal Hours)¹⁴</p> <p>The IRS offers in-person appointments at 347 TACs nationwide for taxpayers whose issue cannot be resolved via the telephone. The operating status of the TACs can vary day-to-day due to illness, staff leaving, or staff taking other positions within the IRS. For example, as of February 18, 2025, 148 of the 347 TACs the IRS operated were staffed with one or two employees.</p>	438,515	566,707
 Saturday	<p>In-Person (Weekend Hours)</p> <p>The IRS offered services at 42 TACs on February 22, 2025, from 9:00 am – 3:45 pm by appointment only. During the 2024 Filing Season, no appointment was required. During the 2025 Filing Season, the IRS scheduled by appointment. However, walk-ins were not refused.</p>	2,278	1,301
	<p>Web Service Delivery</p> <p>The IRS implemented this initiative to provide taxpayers the opportunity to receive face-to-face assistance from an IRS representative over the internet. The virtual conference is scheduled by appointment only, like other face-to-face service options.</p>	2,842	1,800
 Social Security	<p>Co-Located Sites with the Social Security Administration</p> <p>The IRS implemented this initiative so that taxpayers can receive service at a location where the IRS is co-located with a Social Security Administration office.</p>	146	377
	<p>Virtual Service Delivery</p> <p>The IRS implemented this initiative to expand face-to-face assistance to taxpayers if no TAC is in their geographic area. It integrates video and audio technology to allow taxpayers to see and hear an IRS assistor located at a remote TAC, giving taxpayers “virtual face-to-face interactions” with assistors.</p>	73	340
Total Taxpayers Served		764,338	930,292

Source: IRS management information reports and other statistics as of weeks ending February 29, 2024, and March 1, 2025.

Volunteer Program sites increased since last year

The Volunteer Program plays a significant role in the IRS’s efforts to improve taxpayer service and facilitate participation in the tax system. The two main components in the Volunteer Program are the Volunteer Income Tax Assistance and the Tax Counseling for the Elderly programs. These programs provide no-cost tax return preparation and e-filing to low-to-moderate income and elderly taxpayers. Figure 12 shows the number of tax returns prepared by volunteers and number of sites for FYs 2024 and 2025.

Figure 12: Volunteer Program Sites Increased

Fiscal Year	Tax Returns	Sites
2024	1.0M	8,261
2025	1.0M	8,401

Source: IRS management report showing the number of tax returns prepared as of March 3, 2024, and March 2, 2025, and sites as of March 4, 2024, and March 2, 2025. M = Millions.

We are continuing to assess the IRS’s processing of individual tax returns, efforts to detect and prevent tax refund fraud and customer service provided to taxpayers during the 2025 Filing Season through May 3, 2025. We plan to report on our assessment later in CY 2025.

¹⁴ This includes the number of taxpayers who scheduled appointments. A taxpayer could have scheduled an appointment but not shown up. Additionally, this includes taxpayers assisted in-person during appointments and the taxpayers served as walk-ins without an appointment.

Detailed Objective, Scope, and Methodology

The overall objective of this review was to evaluate the processing of individual income tax returns during the 2025 Filing Season. To accomplish our objective, we:

- Identified volumes of paper and e-filed tax returns received as of the week ending March 1, 2025, from the IRS Weekly Filing Season reports and compared the statistics to the same period for the 2024 Filing Season.
- Determined whether IRS reports indicated that individual tax returns were being processed timely and accurately.
- Ensured that select new and revised business rules were working as intended and functioning properly as of February 15, 2025.
- Obtained information related to the Submission Processing and Accounts Management functions' hiring and onboarding efforts.
- Identified results of the IRS's tax refund fraud programs, including identity theft and prisoner refund fraud.
- Identified results of the IRS's customer service programs, including self-assistance options, social media platforms, the TAC Program, the Toll-Free Telephone Assistance Program, and the Volunteer Program.

Performance of This Review

This review was performed with information obtained from the Taxpayer Services Division personnel in Atlanta, Georgia, and the Taxpayer Services Division Submission Processing personnel in Covington, Kentucky, and the New Carrollton Federal Building in Lanham, Maryland, during the period October 2024 through March 2025. 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.

Data Validation Methodology

During this review, we obtained extracts from the Modernized Tax Return Database for PY 2025. Before relying on the data, we ensured that each file contained the specific data elements we requested. In addition, we selected judgmental samples of each extract and verified that the data in the extracts were the same as the data captured in the Employee User Portal database.¹ We also performed analysis on the Modernized Tax Return Database extracts to ensure the validity and reasonableness of our data, such as ranges of dollar values and obvious invalid values. We determined that the data was sufficiently reliable for purposes of this report.

¹ A judgmental sample is a nonprobability sample, the results of which cannot be used to project to the population.

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: the process for planning, organizing, directing, and controlling program operations for the 2025 Filing Season. We evaluated these controls by monitoring IRS weekly production meetings, reviewing IRS procedures, and reviewing IRS reports.

Glossary of Terms

Term	Definition
Amended Tax Return	A tax return that is submitted by a taxpayer after their original tax return has been submitted to the IRS. Individual amended tax returns are processed by both the Submission Processing and Accounts Management functions, depending upon certain criteria on the tax return.
Business Rule	Used to validate information included on e-filed tax returns for acceptance into tax return processing. The IRS will reject e-filed tax returns from processing when the tax return does not meet the criteria of the rule.
Deferred Resignation Program	A government-wide program that provides employees with an option to submit a deferred resignation letter with an effective resignation of September 30, 2025, while being exempt from return to office requirements and being placed on paid administrative leave.
Direct File	Direct File is a free federal tax preparation tool offered by the IRS.
Employee User Portal	The internal IRS portal that allows employees to access IRS data and systems, such as tax administration processing systems and financial information systems, in a secure, authenticated session.
Error Resolution	An online computer application used by tax examiners to correct errors identified on individual or business tax returns during processing.
Filing Season	The period from January 1 through mid-April when most individual income tax returns are filed.
Fiscal Year	Any yearly accounting period, regardless of its relationship to a calendar year. The federal government's fiscal year begins on October 1 and ends on September 30.
Free File	The Free File Program is a public-private partnership between the IRS and a consortium of tax preparation software companies that provide free electronic preparation and filing of federal tax returns for eligible taxpayers.
Level of Access	The total number of calls seeking assistance that ultimately receive assistance from the IRS. This is computed by taking the sum of Assistor Calls Answered and Automated Calls Answered divided by Total Dialed Number Attempts during open hours.
Level of Service	The primary measure of service to taxpayers. It represents the relative success rate of taxpayers who call the IRS Accounts Management function's telephone lines seeking assistance from an assistor. Further, it is a budget measure used to determine the resources for the toll-free telephone lines. The IRS's measure is titled Customer Service Representative Level of Service.
Master File	The IRS database that stores various types of taxpayer account information. This database includes individual, business, and employee plans and exempt organizations data.

Term	Definition
Modernized Tax Return Database	The official repository of all electronic returns processed through the Modernized e-file system.
Paper Tax Returns	Tax returns that are submitted to the IRS by mail and must be manually worked through the IRS processing pipeline.
Processing Year	The calendar year in which the IRS processes the tax return or document.
Rejects	Tax returns that cannot be processed, usually due to missing or incomplete information. Tax examiners correspond with the taxpayer to clarify an entry on a tax return. When the taxpayer responds, the tax examiner will resolve the issue, and the tax return will continue processing.
Taxpayer Assistance Center	Local offices nationwide staffed by IRS employees who are trained to provide a variety of services including answering tax account questions, taking cash payments, and authenticating the identity of individuals who have been identified as potential victims of tax-related identity theft.
Taxpayer Identification Number	A nine-digit number assigned to taxpayers for identification purposes. Depending upon the nature of the taxpayer, it can be an Employer Identification Number, an SSN, an Adoption Taxpayer Identification Number, or an Individual Taxpayer Identification Number.
Tax Year	A 12-month accounting period for keeping records on income and expenses used as the basis for calculating the annual taxes due. For most individual taxpayers, the tax year is synonymous with the calendar year.
Unpostables	Transactions that will not post to the taxpayer's account because they failed validity checks. The unpostable condition must be resolved to complete processing of the transaction.
Volunteer Program	Includes both the Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs. The Volunteer Program provides free tax assistance to persons with low-to-moderate income and senior citizens.

Abbreviations

CY	Calendar Year
e-file(d); e-filing	Electronically File(d); Electronic Filing
FY	Fiscal Year
IP PIN	Identity Protection Personal Identification Number
IRS	Internal Revenue Service
PY	Processing Year
SSN	Social Security Number
TAC	Taxpayer Assistance Center
TIGTA	Treasury Inspector General for Tax Administration



**To report fraud, waste, or abuse,
contact our hotline on the web
at <https://www.tigta.gov/reportcrime-misconduct>.**

**To make suggestions to improve IRS policies, processes, or systems
affecting taxpayers, contact us at www.tigta.gov/form/suggestions.**

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