

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



Final Results of the 2024 Filing Season

April 24, 2025

Report Number: 2025-408-016

This report has cleared the Treasury Inspector General for Tax Administration disclosure review process and information determined to be restricted from public release has been redacted from this document

HIGHLIGHTS: Final Results of the 2024 Filing Season

Final Audit Report issued on April 24, 2025

Report Number 2025-408-016

Why TIGTA Did This Audit

This audit was initiated to provide selected information related to the IRS's 2024 Filing Season. The overall objective of this review was to evaluate whether the IRS timely and accurately processed individual paper and electronically filed (e-filed) tax returns during the 2024 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 IRS began processing Tax Year 2023 individual tax returns on Jan. 29, 2024. During Calendar Year 2024, the IRS expected to receive 167.1 million individual income tax returns (nearly 9.5 million paper and 157.6 million e-filed). The total e-file volume was projected to increase by 3.7 million (2.4 percent).

The IRS's fraud detection processes continue to prevent the issuance of a significant amount of fraudulent refunds.

Fraud Detection



\$6.5

Billion claimed in fraudulent refunds.



98.5%

Fraudulent refunds prevented.

What TIGTA Found

Compared to the 2023 Filing Season, paper tax return volumes decreased by 11.4 percent and the number of e-filed returns increased by 1.9 percent. Additionally, the IRS accurately rejected most e-file tax returns when applicable, and returns were not erroneously accepted for processing. Taxpayers also continued to use free tax filing options. Of the nearly 137 million tax returns that were e-filed, 2.1 percent (about 2.9 million) were submitted using the IRS's Free File Program. Additionally, as of April 27, 2024, there were 140,803 tax returns submitted and accepted through the IRS's Direct File system.

The IRS's current processes do not prevent taxpayers from receiving improper claims for some energy credits. For example, more than 98,000 Tax Year 2023 tax returns received \$371 million in the Residential Clean Energy Credit because the [REDACTED] used to calculate the credit [REDACTED]. In addition, we identified 27,270 (32.3 percent) of 84,323 tax returns claiming \$14.1 million in the Alternative Fuel Vehicle Refueling Property Credit that [REDACTED].

As of May 4, 2024, taxpayers made 45.8 million total attempts to contact the IRS by calling the various customer service toll-free telephone assistance lines. The IRS reported that telephone assistors answered more than 9.8 million calls and provided an 83 percent Level of Service with a 4-minute Average Speed of Answer. In addition, the IRS planned to assist about 2 million taxpayers at its Taxpayer Assistance Centers and Volunteer Program sites assisted taxpayers in preparing 2.7 million tax returns.

Millions of taxpayers also took advantage of the IRS's easy-to-use self-assistance options that enable taxpayers to access information they need 24 hours a day, 7 days a week. For example, the IRS reported 608.7 million visits to IRS.gov and 32.3 million views of its social media videos.

What TIGTA Recommended

We made 12 recommendations to improve the processing of tax returns. The IRS agreed with nine recommendations, including to develop a code that can be placed on tax accounts during tax return processing to identify when credit carryforward is claimed on the current year Residential Energy Credit form, and update computer programming which prevented tax returns incorrectly claiming the Residential Clean Energy Credit from being identified in the Error Resolution program. The IRS disagreed with three recommendations stating there are either existing post-processing workstreams that would consider the questionable tax returns we identified or that they did not have the authority to systemically adjust the tax returns. However, we remain concerned that the IRS's post-processing workstreams, which are limited by dollar thresholds, will not address the improper credits claimed by taxpayers.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

U.S. DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20024

April 24, 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 – Final Results of the 2024 Filing Season
(Audit No.: 2024408024)

This report presents the results of our review to evaluate whether the Internal Revenue Service timely and accurately processed individual paper and electronically filed tax returns during the 2024 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*, *Managing IRA [Inflation Reduction Act of 2022] Transformation Efforts*, and *Taxpayer Service*.¹

Management's complete response to the draft report is included as Appendix IV. If you have any questions, please contact me or Deann L. Baiza, Acting Assistant Inspector General for Audit (Returns Processing and Account Services).

¹ Pub. L. No. 117-169, 136 Stat. 1818.

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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 One of the challenges the IRS faces each year processing tax returns is implementing new tax law changes as well as changes resulting from expired tax provisions. To its credit, the IRS has reduced various tax return inventories to at or near pre-pandemic levels. However, the inventory of unprocessed amended tax returns remains high. Appendix III compares individual tax return inventory levels in various stages of processing to inventory levels carried into the 2024 Filing Season.

The primary legislation that affected the 2024 Filing Season was the Inflation Reduction Act (IRA).² While many IRA provisions have been implemented since being signed into law, a small number of provisions affected individual tax filers for Tax Year 2023. The 2024 Filing Season was also impacted by the Consolidated Appropriations Act of 2023, which provided an option for penalty free withdrawal from retirement accounts for those individuals impacted by a federally declared disaster.³ Taxpayers could exclude up to \$22,000 from their withdrawal for a qualified disaster distribution without being assessed an early distribution tax. Figure 1 identifies the three IRA provisions most relevant to the 2024 Filing Season and provides the estimated tax impact for each provision for Calendar Years 2024 through 2027.

Figure 1: Summary of IRA Provisions Affecting the 2024 Filing Season

Provision	Overview of Related Provisions	Estimated Tax Impact Calendar Years 2024 – 2027
Energy Efficient Home Improvement Credit (13301)	Renamed and replaced the existing Nonbusiness Energy Property Credit and extended the credit to property placed in service through Dec. 31, 2032.	\$5.3 billion
Residential Clean Energy Credit (13302)	Renamed and replaced the existing Residential Energy Efficient Property Credit and increased the credit rate to 30 percent for property placed into service beginning in Tax Year 2022.	\$9.3 billion
Alternative Fuel Refueling Property Credit (13404)	Modified the existing credit for certain refueling property placed into service after Calendar Year 2022.	\$621 million

Source: *The IRA and the Joint Committee on Taxation JCX-18-22.*

¹ See Appendix VII for a glossary of terms.

² Pub. L. No. 117-169, 136 Stat. 1818.

³ Pub. L. No. 117-328, 136 Stat. 4459.

Results of Review

This report presents the results of our review to evaluate whether the IRS timely and accurately processed Tax Year 2023 individual paper and electronically filed (e-filed) tax returns. The results are presented as of several dates from Jan. 29, 2024, to Aug. 23, 2024, depending on when the information was available.

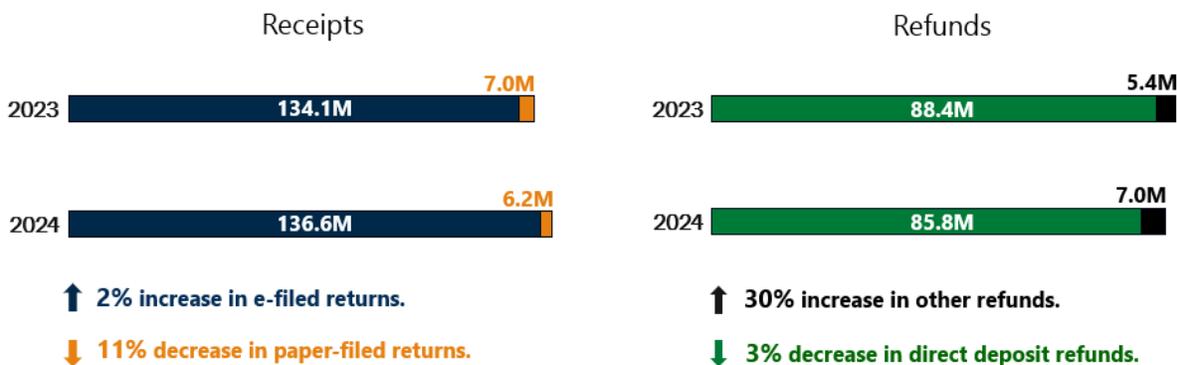


Processing Tax Returns

Individual Paper-Filed Tax Return Receipts Decreased From the 2023 Filing Season

The IRS began processing individual tax returns on Jan. 29, 2024. During Calendar Year 2024, the IRS expected to receive up to 167.1 million (nearly 9.5 million paper and 157.6 million e-filed) individual income tax returns. The total e-file volume was projected to increase by 3.7 million (2.4 percent) in Calendar Year 2024. Figure 2 presents comparative statistics as of May 4, 2024.

Figure 2: Comparative Filing Season Statistics



M = millions

Source: Filing Season Weekly Report. The 2023 Filing Season figures are through May 5, 2023, and the 2024 Filing Season figures are through May 4, 2024. Totals and percentages shown are rounded.

While paper-filed tax return volumes decreased by 11 percent, the number of e-filed returns increased by 2 percent when compared to the same period during the 2023 Filing Season. Also, the number of other refunds issued, such as paper checks or prepaid debit cards, increased by 30 percent while the number of direct deposits decreased by 3 percent when compared to the same period during the 2023 Filing Season. Finally, as of May 4, 2024, the total tax returns filed have surpassed the levels they were at as of May 5, 2023.

Taxpayers also continued to use IRS’s free tax return filing options. Of the nearly 137 million tax returns that were e-filed, 2 percent (about 3 million) were submitted using the IRS’s Free File

Program. Additionally, as of April 27, 2024, there were 140,803 tax returns submitted and accepted through the IRS’s Direct File system

The IRS continues to strive to lower the volume of paper tax returns that it receives. Paper tax returns must be processed manually, so they take more time than electronically filed tax returns. The IRS’s SOP Initiative 1.2 details several projects to expand digital services and digitalization. This includes scanning and extracting data from paper-filed tax returns and correspondence. In December 2023, we reported on the IRS’s progress on scanning initiatives, noting that the IRS had not met the goal to scan millions of individual tax returns and that it needed to align all of its scanning efforts under a centralized oversight structure. Because of the importance of this initiative and the impact it will have on the IRS’s Tax Processing Centers, we have additional planned work in this area.

Individual tax return inventory processing time frames

The IRS establishes timeliness goals for its various tax return processing programs that reflect the desired number of days it should take to work a tax return from receipt in the program’s inventory. Figure 3 provides the inventory levels in key tax return processing programs as of May 3, 2024, along with the percentage of the inventory that is aged and the program’s timeliness goal. The figures provided for paper tax returns and Error Resolution inventories show work received during Calendar Year 2024 and do not include any carryover work from previous filing seasons. The figures provided for Rejects, Unpostables, and Amended Returns represent work that could have been received during calendar years prior to 2024, as well as Tax Year 2023 and prior work received during Calendar Year 2024.

Figure 3: Age of Tax Return Processing Inventories

Type of Work Remaining	Week Ending May 3, 2024	Percentage Aged	Aged Criteria
Paper Tax Returns	1,784,847	N/A	N/A
Error Resolution	354,549	24 percent	More than 5 days
Rejects	766,747	10 percent	More than 60 days
Unpostables	828,172	19 percent	Ranges from more than 3 weeks to more than 15 weeks
Amended Returns Worked by the Submission Processing Function	646,775	84 percent	More than 30 days
Amended Returns Worked by the Accounts Management Function ⁴	788,118	52 percent	More than 44 days

Sources: IRS-provided weekly inventory levels for the week ending May 3, 2024, Submission Processing 1040X Inventory Report for the week ending May 3, 2024, Accounts Management Inventory Report for the week ending May 4, 2024, and Customer Account Services Form 1040X Consolidated Inventory Report for the week ending May 4, 2024.

⁴ Includes carryback claims worked in the IRS Accounts Management function.

In March 2024, we reported continued concerns with the inventories of amended tax returns remaining to be worked.⁵ Although the IRS had taken some actions to address these inventories, such as hiring employees in the Submission Processing function, which is responsible for processing tax returns, and reassigning employees to work in the Accounts Management function, which generally handles taxpayer contacts and adjusts tax accounts, the amended tax return inventories were significantly above the pre-pandemic levels. The IRS does not set goals specifically for amended individual tax returns inventories. In our discussions with IRS management, they indicated that the inventories of amended individual returns remained high because of high attrition and staffing shortages.

However, the Accounts Management function subsequently made progress meeting its hiring goals. As of April 22, 2024, the Accounts Management function hired 6,961 of its original goal of 6,431 employees. The increase in staff potentially helped the IRS decrease the percentage of over-aged, amended tax return inventories from approximately 63 percent in March 2024 to 52 percent as of May 2024. This occurred while the volume of amended tax returns to be worked in Accounts Management increased from 502,368 to 788,118 from March to May 2024.

In contrast, the Submission Processing function did not meet its hiring goal. As of May 3, 2024, the amended tax returns inventory had increased from 455,463 to 646,775 and the percentage of over-age inventory had increased from 73 percent to 84 percent from March to May of 2024. As of May 17, 2024, the Submission Processing function onboarded 82 percent of its goal of 3,600 employees. The Submission Processing function has altered its hiring strategies and taken other actions to help balance work across the Tax Processing Centers. For example, during the 2024 Filing Season, the IRS directed taxpayers in certain states to mail their tax return to the Austin, Texas, Tax Processing Center instead of the Kansas City, Missouri, Tax Processing Center. In addition, the IRS used Direct Hiring Authority to assist with meeting its hiring goals. In September 2024, we reported that the IRS processed nearly 22,000 new hires in Fiscal Year 2022 and approximately 31,000 new hires in Fiscal Year 2023, an increase of 41 percent.⁶ These new hires included individuals who were hired using both traditional hiring methods and Direct Hiring Authority. Figure 4 identifies the hiring goals and number of employees onboarded for the Accounts Management and Submission Processing functions as of April 22, 2024, and May 17, 2024, respectively.

⁵ TIGTA, Report No. 2024-406-020, [The IRS Continues to Reduce Backlog Inventories in the Tax Processing Centers](#) (March 2024).

⁶ TIGTA, Report No. 2024-108-069, [Communication Breakdowns, Hiring Volume Surges, and Aging System Integration Challenges Delayed Some IRS Hiring Efforts](#) (September 2024).

Figure 4: Fiscal Year 2024 Hiring Statistics



Source: IRS-provided hiring statistics through the week ending April 22, 2024, for Accounts Management and May 17, 2024, for Submission Processing.

Results of key tax law provisions affecting the 2024 Filing Season

The IRA extended and modified of several energy-related credits. As part of this audit, we identified the number of tax returns claiming the newly affected tax credits *e.g.*, Residential Clean Energy Credit, Energy Efficient Home Improvement Credit, and Alternative Fuel Vehicle Refueling Property Credit. Figure 5 shows the number of tax returns and total dollars claimed for these energy credits.

Figure 5: Energy Credit Claims Identified During the 2024 Filing Season

Credit Type	Number of Credits Claimed	Total Dollars Claimed
Residential Clean Energy Credit	1,194,110	\$6.1 billion
Energy Efficient Home Improvement Credit	2,278,708	\$2.0 billion
Alternative Fuel Vehicle Refueling Property Credit ⁷	84,323	\$39.1 million

Source: TIGTA Data Center Warehouse Returns Transaction File and Modernized Tax Return Database file as of May 2, 2024.

We also evaluated the retirement account exclusion included in the Consolidated Appropriations Act of 2023. As of May 2, 2024, we identified 11,377 tax returns that had a portion of retirement withdrawals that were exempt from the early distribution tax.

⁷ Our review was limited to e-filed tax returns due to certain data not being transcribed by the IRS during processing. The number of credits claimed and total dollars claimed only represent e-filed returns.

Evaluation of new and modified e-file business rules

The IRS uses e-file business rules to identify errors on tax returns at the time the returns are filed. We selected 56 e-file business rules for in-depth testing that were new or modified for the 2024 Filing Season. We also confirmed that the IRS either deleted or disabled 156 business rules. As of May 2, 2024, our testing of 56 business rules found that most of the rules are accurately rejecting tax returns or were intentionally disabled, and returns were not erroneously accepted for processing. However, we identified two business rules that were incorrectly rejecting tax returns.⁸ We alerted the IRS, and they fixed one rule and stated the other rule required programming changes that would not take effect until January 2025.

Expansion of the automated Error Resolution correction tool

FixERS is an automated tool that resolves errors identified on a tax return. The FixERS tool resolves common errors, such as disallowing tax credits when eligibility requirements are not met and reducing tax credit amounts when overclaimed by the taxpayer. During the 2024 Filing Season, the IRS expanded the tool to 23 error codes. As of May 31, 2024, the IRS reported that more than 2.3 million tax returns had been identified for the FixERS tool. From this population, nearly 1.8 million tax return errors were systemically resolved, the remaining 500,000 tax return errors were sent for manual processing.

Residential Clean Energy Credit

Our review of Tax Year 2023 individual tax returns, as of May 2, 2024, identified nearly 1.2 million e-filed tax returns claiming Residential Clean Energy Credits totaling nearly \$6 billion, with 112,781 of these tax returns, excluding anomalous results, claiming [REDACTED] amount totaling \$662 million.⁹ In fact, 95,664 (nearly 85 percent) of the 112,781 tax returns claimed a [REDACTED]. For the remaining 17,117 tax returns, the taxpayers [REDACTED] by nearly \$74 million.¹⁰ Form 5695 was not transcribed by the IRS during Processing Year 2023, so only e-filed [REDACTED] tax returns were reviewed for this comparison.

The IRS confirmed the [REDACTED] during the processing of the tax return. We have reported similar issues pertaining to [REDACTED]. For example, in September 2013, we found taxpayers did not include the required statement with their [REDACTED] and processes were not in place to identify taxpayers not complying with the requirement.¹¹ Subsequently, in August 2019, we reported that

⁸ TIGTA, Report No. 2024-408-024, [Interim Results of the 2024 Filing Season](#) (April 2024).

⁹ This figure excludes anomalous data. [REDACTED]

¹⁰ This figure excludes anomalous data. [REDACTED]

¹¹ TIGTA, Report No. 2013-40-093, [Unsupported and Potentially Erroneous Claims for General Business Credits Are Not Always Identified When Tax Returns Are Processed](#) (September 2013).

actions had not been taken to establish a process to identify potentially erroneous [REDACTED] and we found taxpayers continued to [REDACTED] not available on their [REDACTED].¹² We made six recommendations, including that the IRS prepare and submit an information technology request to develop a systemic reconciliation process to identify taxpayers with potentially erroneous [REDACTED]. The IRS disagreed with the recommendation stating that [REDACTED] are not compliance issues. However, based on our current analysis, the IRS's processes are still not identifying [REDACTED]

Not all of the previously reported \$662 million [REDACTED] credit amounts would have been used in the calculation of the Residential Clean Energy Credit for Tax Year 2023. This could be due to the [REDACTED]

Although the future tax effect of the \$662 million in [REDACTED] amounts is unknown, we calculated the tax effect for Tax Year 2023 tax returns. We identified that 98,448 (87 percent) of the 112,781 tax returns did not claim any [REDACTED] of the credit but still received \$371 million in Residential Clean Energy Credits. For these 98,448 tax returns, 86,166 tax returns based the entire Residential Clean Energy Credit on the [REDACTED] and 12,282 tax returns had part of the credit based on [REDACTED]. The remaining 14,333 tax returns had the credit removed during processing or relied [REDACTED] to support the credit claimed.

Some tax returns also did not meet the requirements or had incorrect calculations of the Residential Clean Energy Credit

We also evaluated the 1.2 million e-filed Tax Year 2023 returns, as of May 2, 2024, claiming the Residential Clean Energy Credit to determine if taxpayers met the minimum requirement of 0.5 kilowatt capacity for qualifying fuel cell property. We identified [REDACTED] tax returns that did not meet this requirement resulting in taxpayers receiving more than \$476,000 in the Residential Clean Energy Credit than they should have received.

In addition, we identified [REDACTED] tax returns with an incorrectly calculated dollar amount for the kilowatt capacity. The kilowatt capacity is found on Form 5695, and the taxpayer is instructed to multiply the kilowatt capacity amount by \$1,000 per kilowatt. As a result of incorrect calculations, taxpayers received nearly \$134,000 more in Residential Clean Energy Credit than they should have received.

The IRS has controls during processing to identify tax returns that have an incorrectly computed Residential Clean Energy Credit. Specifically, when the Residential Clean Energy Credit amount does not equal the IRS's computed amount, the return will be forwarded to a tax examiner for further review and correction. The IRS agreed with the exceptions we identified and noted that these tax returns were not always identified by the IRS's error codes during processing. For example, IRS management identified a formatting issue related to the [REDACTED] for the

¹² TIGTA, Report No. 2019-40-044, [Billions of Dollars of Potentially Erroneous Carryforward Claims Are Still Not Being Addressed](#) (August 2019).

kilowatt capacity entry. This caused the credit to be incorrectly calculated resulting in overclaimed credit amounts on Form 5695. While IRS management noted that additional review is needed to confirm this issue, they indicated it was also the underlying issue for the [REDACTED] tax returns that had the credit miscalculated.

The Chief, Taxpayer Services, should:

Recommendation 1: Develop a code that can be placed on tax accounts during tax return processing to identify when a [REDACTED] on the current year Form 5695.

Management's Response: IRS management agreed with the recommendation and will develop a code that can be placed on tax accounts during tax return processing to identify when a [REDACTED] on the current year Form 5695.

Recommendation 2: Identify and update computer programming which prevented tax returns incorrectly claiming the Residential Clean Energy Credit from being identified by the Error Resolution program.

Management's Response: IRS management agreed with the recommendation and will identify and update computer programming which prevented tax returns incorrectly claiming the Residential Clean Energy Credit from being identified by the Error Resolution program.

Recommendation 3: Evaluate and update computer programming to disallow the credit for qualified fuel cell property when taxpayers do not meet the minimum kilowatt usage requirement.

Management's Response: IRS management agreed with the recommendation and will evaluate and update computer programming to disallow the credit for qualified fuel cell property when taxpayers do not meet the minimum kilowatt usage requirement.

Recommendation 4: Evaluate and update computer programming to fix the formatting issues that are resulting in improperly allowed fuel cell property credit amounts.

Management's Response: IRS management agreed with the recommendation and will evaluate and update computer programming to fix the formatting issues that are resulting in improperly allowed fuel cell property credit amounts.

Recommendation 5: Review the 1,537 tax returns we identified that did not meet the kilowatt requirement or had a miscalculated credit and take action to recover the potential erroneously issued credit amounts.

Management's Response: IRS management agreed with the recommendation and on Jan. 23, 2025, they reviewed the 1,537 tax returns identified as not meeting the kilowatt requirement or had a miscalculated credit and determined that no further actions are warranted.

Recommendation 6: Take steps to periodically identify and recover erroneously issued credits until computer programming can be implemented to correct the identified issues.

Management’s Response: IRS management disagreed with the recommendation stating they already have workstreams that address erroneously issued credits. However, historically these credit amounts do not exceed their campus exam tolerance for audit consideration.

Office of Audit Comment: Although IRS management agreed to fix the computer programming that resulted in the erroneous Residential Energy Credits, they did not agree to continuously identify these types of cases until the computer programming fixes were implemented. Instead, management stated they would rely on existing post-processing workstreams, acknowledging limitations due to its examination tolerance thresholds. As noted in our report, our analysis, which was through May 2, 2024, identified 1,537 tax returns with erroneous credits totaling more than \$600,000.

The Chief Tax Compliance Officer, should:

Recommendation 7: Incorporate the use of the code developed in response to Recommendation 1 when selecting tax returns for post-processing compliance to verify the

Management’s Response: IRS management disagreed with the recommendation. The Small Business/Self-Employed Division’s Campus Case Selection function has a post-processing rule in place that identifies cases with Form 5695

Office of Audit Comment: IRS management’s response contradicts their agreement to Recommendation 1. Further, management noted that they already have a post-processing rule to identify tax returns with Residential Clean Energy Credit however, the rule is limited by a dollar threshold and other criteria for selection. We remain concerned that significant amounts of are not being addressed during post-processing compliance.

Current Processes Do Not Prevent Taxpayers From Receiving Improper Alternative Fuel Vehicle Refueling Property Credit Claims

Our review of Form 8911, *Alternative Fuel Vehicle Refueling Property Credit*, as of May 2, 2024, identified 84,323 e-filed Tax Year 2023 tax returns claiming the Alternative Fuel Vehicle Refueling Property Credit for personal use totaling more than \$39 million. The IRS does not currently transcribe Form 8911 so only e-filed returns were reviewed. We reviewed the completeness of the claims for e-filed tax returns and found that some taxpayers received more Alternative Fuel Vehicle Refueling Property Credit than should be allowed, even though they did not comply with the filing requirements of Form 8911. Specifically, we identified 27,270 (32.3 percent) of 84,323 tax returns claiming the Alternative Fuel Vehicle Refueling Property Credit totaling \$14.1 million

We also found that 6,514 of the 27,270 tax returns did not properly compute the personal use portion of the credit,

We did not evaluate the accuracy of the 57,053 claims

These errors occurred because the IRS's computer programming and procedures do not identify or prevent taxpayers from claiming the credit. In addition, the Tax Year 2023 Form 8911 does not include a separate line to allow the taxpayer to enter the number of properties claimed. Instead, the Form 8911 instructs taxpayers to enter the total cost of the qualified refueling property placed in service during the tax year.

We sent IRS management these exception cases to review. Management confirmed there is not an active business rule preventing taxpayers from filing tax returns claiming the credit. Additionally, they confirmed there are no controls in place to personal use part of the credit, The absence of a business rule that prevents taxpayers from claiming a credit is an issue we have previously reported. For example, in September 2013, we recommended, and the IRS agreed to ensure that a process would be in place to stop returns General Business Credits during processing for review and follow-up.¹³

The Chief, Taxpayer Services, should:

Recommendation 8: Develop processes to enforce and systemically verify that e-filed tax returns claiming the Alternative Fuel Vehicle Refueling Property Credit have used to claim the credit.

Management's Response: IRS management agreed with the recommendation and will develop processes to enforce and systemically verify that e-filed tax returns claiming the Alternative Fuel Vehicle Refueling Property Credit have used to claim the credit.

Recommendation 9: Revise Form 8911 to capture the number of properties claimed for the Alternative Fuel Vehicle Refueling Property Credit.

Management's Response: IRS management agreed with the recommendation and will submit a request to revise Form 8911 for Tax Year 2025, to capture the number of properties claimed for the Alternative Fuel Vehicle Refueling Property Credit.

Recommendation 10: Develop computer programming to limit the personal use part of the credit

Management's Response: IRS management agreed with the recommendation and will submit a request for transcription and business rules to limit the personal use part of the credit corresponding to the number of properties claimed for the Alternative Fuel Vehicle Refueling Property Credit for Processing Year 2026.

¹³ TIGTA, Report No. 2013-40-093, [Unsupported and Potentially Erroneous Claims for General Business Credits Are Not Always Identified When Tax Returns Are Processed](#) (September 2013).

Taxpayers Are Underpaying the Early Distribution Tax

As of May 2, 2024, we identified 11,377 Tax Year 2023 tax returns reporting \$150 million of qualified disaster distributions as being exempt from the early distribution tax. Of these, 39 tax returns claimed approximately \$1 million of qualified disaster distributions exempt from the early distribution tax, above the statutory limit of \$22,000. This resulted in the underpayment of \$100,000 of the early distribution tax on these 39 tax returns.

Generally, when taxpayers take a distribution from their individual retirement account or other qualified retirement plan before the age of 59½, it is considered an early distribution. The early distribution is includable in gross income and is subject to an additional income tax of 10 percent of the amount of the withdrawal, unless it qualifies for an exception. The Consolidated Appropriations Act of 2023 exempts qualified disaster distributions up to \$22,000 from the 10 percent additional tax for Tax Year 2021 and later. Qualified disaster distributions are reported on Form 8915-F, *Qualified Disaster Retirement Plan Distributions and Repayments*, Line 6, Total qualified disaster distributions. This line represents the amount of qualified disaster distributions that was exempt from the 10 percent early distribution tax.

IRS management confirmed there is no current systemic process in place to prevent taxpayers from overclaiming the disaster distribution amount and agreed that the disaster distribution amount exceeded what should have been claimed on the return.

The Chief, Taxpayer Services, should:

Recommendation 11: Develop computer programming to systemically ensure that e-filed returns claiming a qualified disaster distribution that is exempt from the early distribution tax do not exceed the \$22,000 statutory limitation.

Management's Response: IRS management disagreed with the recommendation stating they do not have the authority under the Internal Revenue Code to systemically correct or adjust returns on which this condition is present. The permitted treatment is an examination of the return under deficiency procedures, in which taxpayers are afforded the right to appeal an adverse decision through administrative processes and to the United States Tax Court. With regard to the 11,377 returns claiming a qualified disaster distribution reviewed during this audit, management determined that only 10 cases met their established tolerance. Based on the risk identified and other competing compliance challenges, management does not believe it is prudent to divert resources toward developing identifying capabilities for post-processing compliance intervention.

Office of Audit Comment: We agree that the IRS does not have the math error authority to systemically adjust tax returns exceeding the exempt amount of qualified disaster distributions during processing and acknowledge the IRS's position regarding its resources for compliance.

Recommendation 12: Review the 39 tax returns that we identified exceeding the statutory limit for the early distribution tax and take appropriate action to correct them.

Management's Response: IRS management agreed with the recommendation and on Jan. 23, 2025, they reviewed the 39 tax returns that were identified as exceeding

statutory limit for the early distribution tax and determined no further actions were warranted.



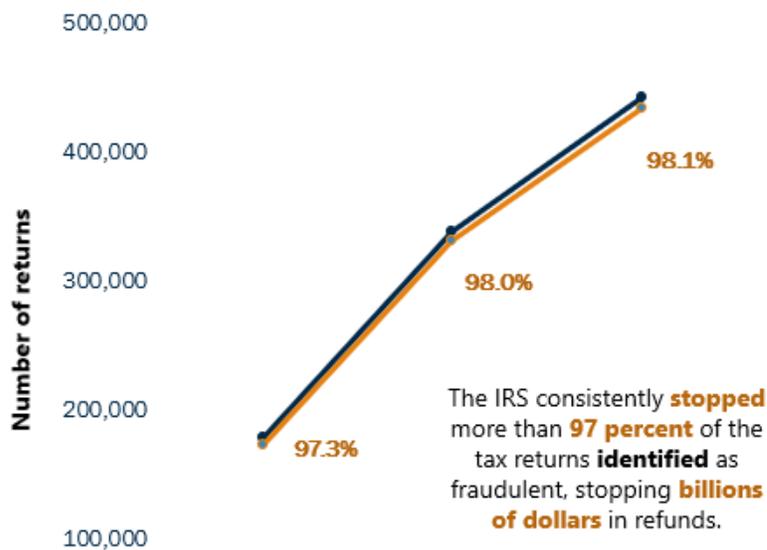
Detecting and Preventing Tax Refund Fraud

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

The IRS continues to identify and stop more fraudulent tax returns from entering the tax processing system, *i.e.*, rejecting e-filed tax returns and preventing paper tax returns from posting. For example, as of July 25, 2024, the IRS had locked taxpayer accounts of 56.8 million deceased individuals. This compares to 53.7 million accounts locked as of Dec. 28, 2023. When tax accounts are locked, e-filed tax returns are rejected, and paper tax returns are prevented from posting to the Master File. According to the IRS, as of May 4, 2024, it had rejected 249,762 fraudulent e-filed tax returns and stopped 1,914 paper tax returns from posting to the Master File because of the deceased taxpayer account locks.

In addition, as of May 25, 2024, the IRS reported that it identified 441,660 tax returns with approximately \$6.5 billion claimed in fraudulent refunds and prevented the issuance of \$6.4 billion (98.5 percent) in refunds associated with 433,414 tax returns (98.1 percent). This represents an increase in the amount of fraudulent refunds stopped when compared to the same period during the 2023 Filing Season. The number of refunds identified and stopped also increased from Calendar Year 2023. IRS management stated the increase is attributed to vast social media schemes with higher dollar refunds requested. Figure 7 shows the number of fraudulent tax returns the IRS identified for Calendar Years 2022, 2023, and 2024 as well as the refund amounts that were stopped.

Figure 7: Fraudulent Tax Returns and Refunds Identified and Stopped



The IRS consistently **stopped** more than **97 percent** of the tax returns **identified** as fraudulent, stopping **billions of dollars** in refunds.

	B = billions		
	CY 2022	CY 2023	CY 2024
Dollars Identified	\$1.5B	\$2.8B	\$6.5B
Dollars Stopped	\$1.5B	\$2.7B	\$6.4B

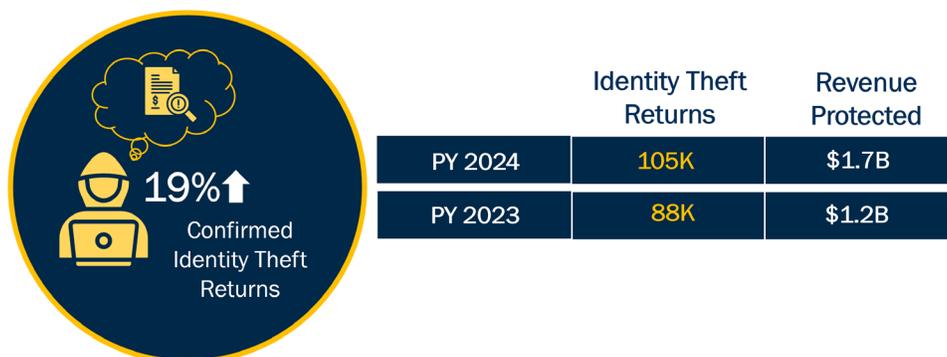
Source: IRS fraudulent tax return statistics for Calendar Years 2022 (as of May 28, 2022), 2023 (as of May 27, 2023), and 2024 (as of May 25, 2024). CY = Calendar Year.

Detection of tax returns involving identity theft

For the 2024 Filing Season, the IRS used 285 filters to detect potential identity theft tax returns and prevent the issuance of fraudulent refunds, an increase of 25 filters from the 2023 Filing Season. These filters incorporate criteria based on characteristics of confirmed identity theft tax returns, 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. If the individual’s identity cannot be confirmed, the IRS removes the tax return from processing to prevent the issuance of a fraudulent refund.

As of May 2, 2024, the IRS reported that it identified nearly 3.5 million tax returns with refunds totaling approximately \$26.9 billion for additional review because of the identity theft filters. As of that same date, the IRS had confirmed 104,800 tax returns as fraudulent and prevented the issuance of \$1.7 billion in fraudulent refunds. Figure 8 shows the number of identity theft tax returns the IRS identified and confirmed as fraudulent in Processing Years 2023 and 2024 as of May 2, 2024.

Figure 8: Identity Theft Tax Returns Confirmed As Fraudulent



Source: IRS fraudulent tax return statistics for Processing Year 2023 (as of May 4, 2023) and Processing Year 2024 (as of May 2, 2024). PY = Processing Year.

As part of its efforts to proactively identify and deter identity theft and fraudulent schemes and scams, the IRS collaborates with various external agencies. For example, in August 2024, the IRS announced a new task force, comprised of the IRS, state tax agencies, and dozens of groups representing the nation’s tax industry. This task force, called the Coalition Against Scam and Scheme Threats, began during the 2024 Filing Season after efforts by unscrupulous individuals intensified to exploit taxpayers. The task force will expand outreach and education about emerging scams, develop new approaches to identify potentially fraudulent returns at filing, and create other improvements to protect taxpayers as well as federal, state, and industry tax systems.

Identity theft protection

The number of Identity Protection Personal Identification Numbers (IP PIN) issued continues to increase each year. The IRS reports that it issued 2.5 million IP PINs to taxpayers who used this tool as of May 4, 2024, compared to 1.8 million as of the same time last year. The IRS automatically issues IP PINs to confirmed identity theft victims if the case is resolved prior to the start of the next filing season. Taxpayers nationwide can also request an IP PIN directly from the IRS if they are concerned that their personal information has been stolen and want to protect their identity when filing a federal tax return. The IP PIN is a six-digit number assigned to eligible taxpayers to help prevent someone else from filing a fraudulent federal income tax return using a taxpayer’s Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN).¹⁴ The IP PIN is known only to the taxpayer and the IRS and authenticates the correct owner of the SSN or ITIN listed on that tax return. Taxpayers can request an IP PIN or retrieve their existing IP PIN by using the “Get an IP PIN” tool through IRS.gov.

Screening of prisoner tax returns

The number of prisoner tax returns identified for screening decreased from last year. As of May 25, 2024, the IRS reported that it identified for screening 42,924 potentially fraudulent tax returns filed using a prisoner’s identity, a 17 percent decrease from the same period in the 2023 Filing Season. IRS management indicated that the number of tax returns identified for screening in Processing Year 2023 was higher due to prisoners filing tax returns to obtain the

¹⁴ Anyone who has an SSN or an ITIN and is able to verify their identity is eligible to enroll in the IP PIN program.

Economic Impact Payment. The IRS compiles a list of prisoners (the Prisoner File) 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. These data files are used to identify for additional screening tax returns filed using a prisoner SSN. Figure 9 shows the number of prisoner tax returns identified for screening in Processing Years 2023 and 2024.

Figure 9: Prisoner Tax Returns Identified for Screening

	Number of Prisoner Tax Returns Identified for Screening
2023	51,743
2024	42,924

Source: IRS fraudulent tax return prisoner strategy statistics for Processing Year 2023 (as of May 27, 2023) and Processing Year 2024 (as of May 25, 2024).



Providing Customer Service

IRS Customer Service Initiatives

The IRS provided assistance to millions of taxpayers via its website (IRS.gov), telephone, and social media platforms as well as face-to-face assistance at its TACs, Volunteer Income Tax Assistance sites, and Tax Counseling for the Elderly sites. The IRS’s SOP Initiative 1.1 emphasizes the need to expand customer service options to underserved taxpayers. The SOP specifically states improving the accessibility and availability of customer service with a goal to expand taxpayer service offerings across multiple channels to meet the needs of taxpayers and tax professionals. This includes adjusting the policies, services offered, and locations to provide in-person, telephone, and digital service for all taxpayers and tax professionals, including underserved taxpayers.

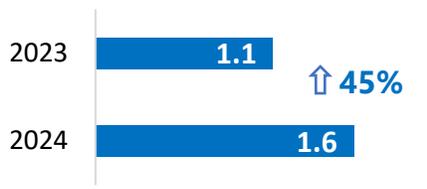
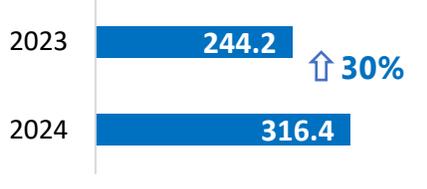
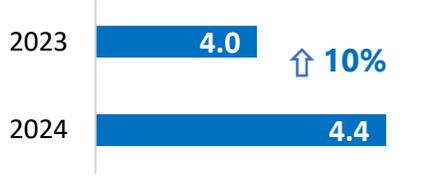
In June 2024, we reported that the IRS should better define an “underserved taxpayer” and develop a comprehensive communication strategy to inform taxpayers of the various customer service assistance options available and how they can access these services.¹⁵ That report also noted that in June 2023, the IRS began offering Community Assistance Visits to aid underserved taxpayers in need of in-person assistance. During Calendar Year 2023, the IRS held Community Assistance Visit events in 9 locations, and in Calendar Year 2024, the IRS held 11 Community Assistance Visit events.

¹⁵ TIGTA, Report No. 2024-IE-R014, [Opportunities Exist to Improve Taxpayer Service to Underserved, Underrepresented, and Rural Communities](#) (June 2024).

Online assistance

The IRS provides easy-to-use 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 reported 608.7 million visits to IRS.gov for the 2024 Filing Season as of May 4, 2024. In comparison, the IRS reported 523.1 million visits to IRS.gov for the 2023 Filing Season as of May 5, 2023, an increase of 16.4 percent. The IRS website provides a number of online tools to assist taxpayers. Figure 10 provides examples of these online tools along with the number of times the tool was used as of May 4, 2024.

Figure 10: Examples of Online Tool Uses for Fiscal Years 2023 and 2024 (as of Week Ending May 4, 2024)

	Online Tool	Number of Uses (in millions)
 <p>Interactive Tax Assistant A tax law resource that takes taxpayers through a series of questions and provides them with responses to basic tax law questions.</p>	 <p>2023: 1.1 million 2024: 1.6 million ↑ 45%</p>	
 <p>Where's My Refund? Allows taxpayers to check the status of their refunds using the most up-to-date information available to the IRS.</p>	 <p>2023: 244.2 million 2024: 316.4 million ↑ 30%</p>	
 <p>Where's My Amended Return? Allows taxpayers to check the status of their amended return using the most up-to-date information available to the IRS.</p>	 <p>2023: 4.0 million 2024: 4.4 million ↑ 10%</p>	

Source: IRS management information reports.

Enhancements to the Where's My Refund? tool

The *Where's My Refund?* and the *Where's My Amended Return?* tools are available on IRS.gov. The *Where's My Refund?* tool is also available on the IRS2Go mobile application. IRS2Go is a mobile application that allows taxpayers to check the status of their tax refund, make a payment, find free tax preparation assistance, sign up for helpful tax tips, and access IRS social media platforms. As of May 4, 2024, the IRS reported more than 7.6 million active users for the IRS2Go application.

In November 2023, we reported on the planned enhancements the IRS had for its online tools as part of the SOP objectives to dramatically improve services to taxpayers.¹⁶ The IRS confirmed

¹⁶ TIGTA, Report No. 2024-400-006, [Final Results of the 2023 Filing Season](#) (November 2023).

enhancements to the *Where's My Refund?* tool were implemented in January 2024. These enhancements include 12 new messages with information about fraud and error conditions. During the period February 18, 2024, through February 24, 2024, 29 taxpayers received responses associated with 10 of the 12 new *Where's My Refund?* messages. Our review of the responses to these taxpayers found that the responses accurately reflected the information in the taxpayers' tax account. We were unable to review the remaining two new messages as they did not occur during our review time frame. In addition, as there were no new responses added to the *Where's my Amended Return?* tool during our review time frame, we did not review account information for taxpayers that used this tool.

The IRS also launched a public-facing dashboard on its website, called the *Processing Status for Tax Forms*, which lists the current processing statuses for general correspondence and key tax forms *e.g.*, Form 1040, *U.S. Individual Income Tax Return*; Form 941, *Employer's Quarterly Federal Tax Return*, and Form 1040-X, *Amended U.S. Individual Income Tax Return*. For e-filed tax returns, the processing status reflects the typical number of days it currently takes to process a form after receipt from the taxpayer. For paper tax returns, the processing status reflects which month of receipt is currently being processed. As of May 3, 2024, the IRS was processing paper Forms 1040 received in April 2024, and as of Aug. 23, 2024, it was processing paper tax returns received in July 2024.

Finally, the IRS also allows taxpayers to create an online account, which is a safe and easy way for individual taxpayers to view specific details about their federal tax account. For example, taxpayers can view the amount owed on their account, payment history, key information from their most current tax return filed, *etc.* There were 44.1 million IRS.gov online accounts created as of May 4, 2024.

Social media platforms

The IRS also offered taxpayers the ability to obtain information from the IRS using their mobile devices. For example, the IRS uses common social media platforms to share the latest information on tax changes, scam alerts, initiatives, and products and services. In addition, the IRS provided short, informative online videos in English, Spanish, Chinese, and American Sign Language. As of May 24, 2024, the IRS reported more than 1.3 million followers on the various social media platforms and 32.3 million views of its social media videos, an increase from more than 1.2 million followers and 29.2 million views as of May 24, 2023.

Toll-free telephone level of assistance

As of May 4, 2024, taxpayers made 45.8 million total call attempts and 31.8 million net call attempts to contact the IRS by calling the various customer service toll-free telephone assistance lines.¹⁷ The IRS also reported that 9.9 million calls were answered with automation, and telephone assistors answered more than 9.8 million calls and provided an 83 percent Level of Service with a 4-minute Average Speed of Answer. Figure 11 shows a comparison of toll-free performance for Calendar Years 2023 and 2024, as of May 4, 2024. The Level of Access, which

¹⁷ Total call attempts represent calls received during all hours, open or not. This figure would include taxpayer hang-ups prior to selecting service. Total net call attempts represent calls received during open hours after removing transfers among product lines.

TIGTA developed because the IRS’s Level of Service measure did not reflect overall call demand, was 47.4 percent.

Figure 11: Toll-Free Performance Statistics

Statistic	Calendar Year	
	2023	2024
Assistor Calls Answered	8,535,405	9,811,816
IRS-Calculated Level of Service	83.6%	83.0%
Average Speed of Answer (Minutes)	4	4
TIGTA-Developed Level of Access ¹⁸	52.0%	47.4%

Source: IRS management information reports (as of May 6, 2023, for Calendar Year 2023 and as of May 4, 2024, for Calendar Year 2024).

TIGTA previously reported that the IRS met the Secretary of the Treasury’s expectations for the 2023 Filing Season as of April 22, 2023, with a Level of Service average of 85.2 percent as well as reducing the average wait time to answer a taxpayer’s call to approximately 3 minutes.¹⁹ However, improvements are needed to ensure that taxpayers receive top quality service when contacting customer service telephone lines. TIGTA made four recommendations, including that the IRS evaluate the availability of resources to provide quality customer service on the telephone lines and ensure that all telephone lines that place callers on hold provide information on tax scams as legislatively required. The IRS agreed with each of TIGTA’s recommendations. In addition, TIGTA is conducting a review to assess the IRS’s efforts to improve toll-free access and reduce taxpayer wait times when calling for assistance and plans to issue a report in Calendar Year 2025.

The TACs

The IRS planned to assist about 2 million taxpayers at its TACs in Fiscal Year 2024, which is an increase of 22 percent from the number of taxpayers the IRS assisted during Fiscal Year 2023. Figure 12 shows the number of contacts by product line at TACs for Fiscal Years 2023 and 2024.

¹⁸ We developed this metric in 2019 because the IRS’s Level of Service measure did not reflect overall call demand. This is not an official IRS statistic.

¹⁹ TIGTA, Report No. 2024-IE-R001, [Actions Are Needed to Improve the Quality of Customer Service in Telephone Operations](#) (November 2023).

Figure 12: TAC Contacts

Contacts/Product Lines	Fiscal Year	
	2023 Actual	2024 Projections
Tax Account Contacts	953,000	1,117,000
Form Contacts	52,000	61,000
Other Contacts	586,000	763,000
Tax Law Contacts	11,000	13,000
Totals	1,602,000	1,954,000

*Source: IRS management information reports.
Numbers shown are rounded.*

The IRS has increased staffing in its TAC offices; however, there are still TAC closures due to staffing limitations. As of May 6, 2024, the IRS reported that 14 of the 363 TACs were closed due to a lack of staffing. IRS management cautioned that 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 May 4, 2024, 156 of the 363 TACs the IRS operated were staffed with 1 or 2 IRS employees.

Similar to prior filing seasons, the IRS continues to use its appointment service for all TACs. When taxpayers call to schedule an appointment, the IRS will attempt to resolve the taxpayer’s question or provide the taxpayer with information on alternative services to prevent the need for an in-person visit. As of May 4, 2024, the IRS reported that IRS employees answered 1,698,575 calls to schedule an appointment. Of these, 791,459 calls required the taxpayer to schedule an appointment and visit a TAC, and 907,116 taxpayers were assisted over phone and no longer needed to visit a TAC.

To further assist taxpayers, the IRS offered extended hours on Tuesdays and Thursdays for many TAC locations through April 16, 2024. In addition, on Feb. 14, 2024, the IRS announced special Saturday hours at more than 50 locations for face-to-face help from February to May 2024. The IRS offered service at select TACs on each of four monthly Saturdays beginning Feb. 24, 2024, and ending May 18, 2024. On these dates, the centers provided taxpayers with in-person help between 9:00 a.m. and 4:00 p.m., and no appointments were required. The IRS website posts information regarding the days and hours of operation and a list of services provided as well as whether the TAC is open on one of these four Saturday dates. According to IRS management, they have served 21,527 taxpayers in the 111 TACs that were open on the 4 Saturday dates.

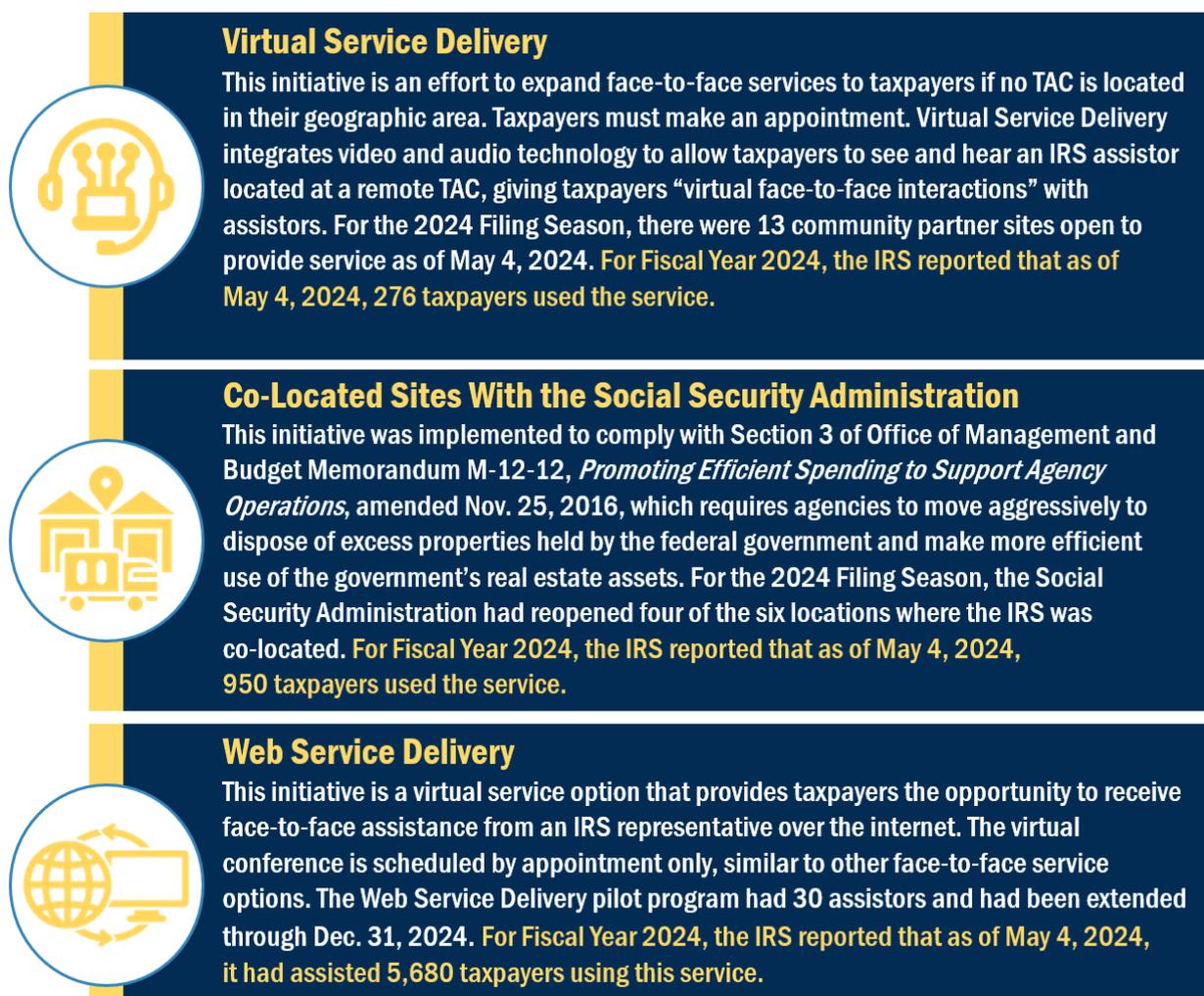
TIGTA conducted a review of the quality of service provided to taxpayers at the TACs.²⁰ During the 2023 Filing Season, TIGTA auditors conducted unannounced visits to 16 of the 93 TACs participating in Face-to-Face Saturday Help events. While TAC assistors generally offered accurate assistance, not all assistors referenced available guidance to ensure proper responses or adhered to triage procedures. TIGTA auditors also encountered extended wait times at the TACs with high customer demand. TIGTA issued five recommendations with the IRS implementing corrective actions for three of the recommendations as of May 10, 2024.

²⁰ TIGTA, Report No. 2024-100-022, [Taxpayer Assistance Centers Generally Provided Quality Service, but Additional Actions Are Needed to Reduce Taxpayer Burden](#) (May 2024).

Additionally, in March 2025, we reported that while the IRS took steps to prepare for Saturday events, some taxpayers were faced with canceled events, long wait lines, or were turned away and not served.²¹ During the April and May 2024 Saturday events, some locations did not have adequate staffing or security personnel to handle the taxpayer seeking assistance. We issued five recommendations, to improve the IRS’s ability to assist taxpayers during the Saturday events.

Finally, in addition to the services offered via the TAC appointment line and at the TACs, the IRS also offers additional face-to-face initiatives, as summarized in Figure 13.

Figure 13: Summary of IRS Face-to-Face Initiatives



Source: IRS management information reports.

Assistance at Volunteer Program sites

The Volunteer Program plays an important 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

²¹ TIGTA, Report No. 2025-IE-R013, [The Unanticipated Large Number of Taxpayers Created Safety and Security Challenges at Some Taxpayer Assistance Center Saturday Help Events](#) (March 2025).

Final Results of the 2024 Filing Season

programs. These programs provide no-cost tax return preparation and e-filing to underserved taxpayer segments, including low-income, elderly, disabled, rural, limited-English-proficient, and Native American taxpayers. As of May 26, 2024, Volunteer Program sites prepared more than 2.7 million tax returns. The number of sites reached as high as 9,057 Volunteer Program sites during the 2024 Filing Season. Figure 14 shows the number of tax returns prepared by volunteers and the number of sites for Fiscal Years 2023 and 2024, as of May 27, 2024.

**Figure 14: Volunteer Program Statistics
(as of May 27, 2024)**

	Fiscal Year 2023	Fiscal Year 2024	Percentage Change
Number of Tax Returns	2,501,185	2,719,626	8.7%
Number of Sites	456	501	9.9%
Peak Number of Sites During Filing Season	8,822	9,057	2.7%

Source: IRS management report showing the number of tax returns prepared for Fiscal Years 2023 and 2024, as of May 28, 2023, and May 26, 2024, and the number of Volunteer Income Tax Assistance sites as of May 29, 2023, and May 27, 2024. Percentages are rounded.

Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of this review was to evaluate whether the IRS timely and accurately processed individual paper and e-filed tax returns during the 2024 Filing Season. To accomplish our objective, we:

- Identified volumes of paper and e-filed tax returns received through May 2, 2024, from the IRS Weekly Filing Season reports that provide filing season statistics and compared the statistics to the same period for the 2023 Filing Season.
- Determined whether IRS monitoring systems indicate that individual tax returns were being processed timely and accurately. We monitored key IRS indicators, including the volume of tax return receipts, statistics from the IRS Filing Season Statistics Report, and Error Resolution volumes.
- Ensured that select business rules associated with the implementation of key tax provisions worked as intended. We evaluated the accuracy of the new business rules.
- Monitored current processing year volumes of inventory and monitored for any backlogs of inventory from Calendar Year 2023 using IRS reports.
- Obtained information related to Submission Processing and Accounts Management function hiring and onboarding efforts.
- Identified results of the IRS tax refund fraud programs, including identity theft and prisoner refund fraud.
- Identified results of the IRS customer service programs, including the TAC Program, the Toll-Free Telephone Assistance Program, and the Volunteer Program.
- Identified results for the IRS's self-assistance options, including IRS.gov and the social media platforms.

Performance of This Review

This review was performed with information obtained from personnel in the Taxpayer Services Division in Atlanta, Georgia, the Taxpayer Services Division Submission Processing in Covington, Kentucky, and the New Carrollton federal building in Lanham, Maryland, during the period October 2023 through August 2024. 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 Processing Year 2024. 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 were sufficiently reliable for purposes of this report.

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 2024 Filing Season. We evaluated these controls by monitoring IRS weekly production meetings, reviewing IRS procedures, and reviewing IRS reports.

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

Outcome Measures

This appendix presents detailed information on the measurable impact that our recommended corrective actions will have on tax administration. These benefits will be incorporated into our Semiannual Report to Congress.

Type and Value of Outcome Measure:

- Revenue Protection – Potential; \$371,047,693 in [REDACTED] tax credits identified for 98,448 Tax Year 2023 e-filed tax returns claiming [REDACTED] in the calculation of the Residential Clean Energy Credit with credit [REDACTED] tax return (see Recommendations 1 and 7).

Methodology Used to Measure the Reported Benefit:

We identified 1,173,731 Tax Year 2023 e-filed tax returns that claimed the Residential Clean Energy Credit. We analyzed the credit [REDACTED]

[REDACTED] Form 5695 was not transcribed by the IRS during Processing Year 2023, so only e-filed [REDACTED] tax returns were reviewed for this comparison. Of the 1,173,731 e-filed tax returns, we identified 414,081 e-filed tax returns claiming a [REDACTED] and identified that 112,781 e-filed tax returns had missing or overclaimed amounts when compared to the [REDACTED] e-filed tax return. From the 112,781 e-filed tax returns, 95,664 had no [REDACTED] present on their [REDACTED] e-filed tax return and 17,117 e-filed tax returns overclaimed the [REDACTED] when [REDACTED]

We further analyzed the 95,664 e-filed tax returns and identified \$588,425,932 in claimed [REDACTED] on the Tax Year 2023 Form 5695. From the 17,117 e-filed tax returns with overclaimed amounts, we identified \$120,930,926, excluding anomalous results, in claimed [REDACTED] on the Tax Year 2023 Form 5695. We identified the actual [REDACTED] on the [REDACTED] Form 5695 as \$47,175,822, which is a difference of \$73,755,104 (\$120,930,926– 47,175,822). Overall, we identified 112,781 (95,664 + 17,117) Tax Year 2023 e-filed tax returns with \$662,181,036 (\$588,425,932 + \$73,755,104) in unsubstantiated tax credits.¹

Although the future tax effect of the \$662 million in unsubstantiated [REDACTED] is unknown, we calculated the tax effect for Tax Year 2023 tax returns. We further reviewed the 112,781 tax returns that did not have a [REDACTED] present on the [REDACTED] Form 5695 or had an amount on the [REDACTED] Form 5965 that was less than reported on the Tax Year 2023 return. We identified that 98,448 (87 percent) of the 112,781 tax returns did not claim any [REDACTED] in the calculation of the credit but still received

¹ These figures exclude anomalous data. [REDACTED]

\$371 million in the Residential Clean Energy Credit. For these 98,448 tax returns, 86,166 tax returns based the entire Residential Clean Energy Credit on the [REDACTED] credits and 12,282 tax returns had part of the credit based on [REDACTED] credits. The remaining 14,333 tax returns had the credit removed during processing or relied on current year expenses to support the credit claimed.

Type and Value of Outcome Measure:

- Revenue Protection – Potential; \$476,278 in erroneous nonrefundable tax credits paid to [REDACTED] Tax Year 2023 tax returns claiming the Residential Clean Energy Credit with qualified fuel cell property not meeting the minimum kilowatt capacity rating requirement of 0.5 kilowatt (see Recommendations 3 and 5).

Methodology Used to Measure the Reported Benefit:

We identified 1,173,731 Tax Year 2023 e-filed tax returns that claimed the Residential Clean Energy Credit. We identified [REDACTED] tax returns listing a kilowatt capacity rating below the required amount of 0.5 kilowatt for qualified fuel cell property claimed a credit amount for qualified fuel cell property totaling \$476,278. These incorrectly claimed credit amounts were not identified or corrected by the IRS during processing.

Management’s Response: The IRS disagreed with the outcome measure. Each year, Campus Case selection evaluates the cost of examinations and sets appropriate criteria. The cost to work these cases would exceed the adjustment amount.

Office of Audit Comment: As noted in their response, management reviewed the 1,537 [REDACTED] tax returns that we identified and determined that no further action was warranted. IRS management completed their review of these tax returns after we issued our draft report, thus we could not verify the accuracy of their response.

Type and Value of Outcome Measure:

- Revenue Protection – Potential; \$133,692 in erroneous nonrefundable tax credits paid to [REDACTED] Tax Year 2023 tax returns overclaiming the Residential Clean Energy Credit due to incorrectly calculated credit amounts for qualified fuel cell property (see Recommendations 4 and 5).

Methodology Used to Measure the Reported Benefit:

We identified 1,173,731 Tax Year 2023 e-filed tax returns that claimed the Residential Clean Energy Credit. The kilowatt capacity is found on Form 5695, and the taxpayer is instructed to multiply the kilowatt capacity amount by \$1,000 per kilowatt. We identified [REDACTED] tax returns that overclaimed the credit amount on Form 5695. These overclaimed credit amounts were not identified or corrected by the IRS during processing. We removed 22 tax returns from our population due to duplication with our population of [REDACTED] tax returns for the prior outcome

measure. The original dollar amount was \$321,403 for 218 tax returns, then adjusted to \$133,692 when removing the 22 tax returns.

Type and Value of Outcome Measure:

- Revenue Protection – Potential; \$14,092,669 in unsubstantiated tax credits claimed on 27,270 tax returns. These Tax Year 2023 tax returns claimed the Alternative Fuel Vehicle Refueling Property Credit without [REDACTED] the total cost of qualified alternative fuel vehicle refueling property placed into service (see Recommendations 8 and 9).

Methodology Used to Measure the Reported Benefit:

We identified 84,323 Tax Year 2023 e-filed tax returns that claimed the Alternative Fuel Vehicle Refueling Property Credit for personal use. The IRS does not currently transcribe Form 8911 so only e-filed returns were reviewed. We identified 27,270 tax returns that did not [REDACTED]

[REDACTED] These 27,270 tax returns claimed a total of \$14,092,669 and account for 32.3 percent of the tax returns claiming the Alternative Fuel Vehicle Refueling Property credit for personal use.

We are unable to review the accuracy for all 84,323 tax returns due to the 27,270 tax returns not [REDACTED] as well as verifying the number of properties the taxpayer claims not being entered as a separate entry on the Form 8911.

Type and Value of Outcome Measure:

- Revenue Protection– Potential; \$100,000 in reduced tax liability on 39 tax returns overclaiming the statutory disaster distribution amount. (see Recommendations 11 and 12).

Methodology Used to Measure the Reported Benefit:

We identified 11,377 e-filed Tax Year 2023 tax returns claiming a qualified disaster distribution. Of these, 39 tax returns claimed approximately \$1 million of qualified disaster distributions exempt from the early distribution tax, above the statutory limit. This resulted in the underpayment of \$100,000 of the early distribution tax on these 39 tax returns ($\$1,000,000 * 10$ percent early distribution tax = \$100,000).

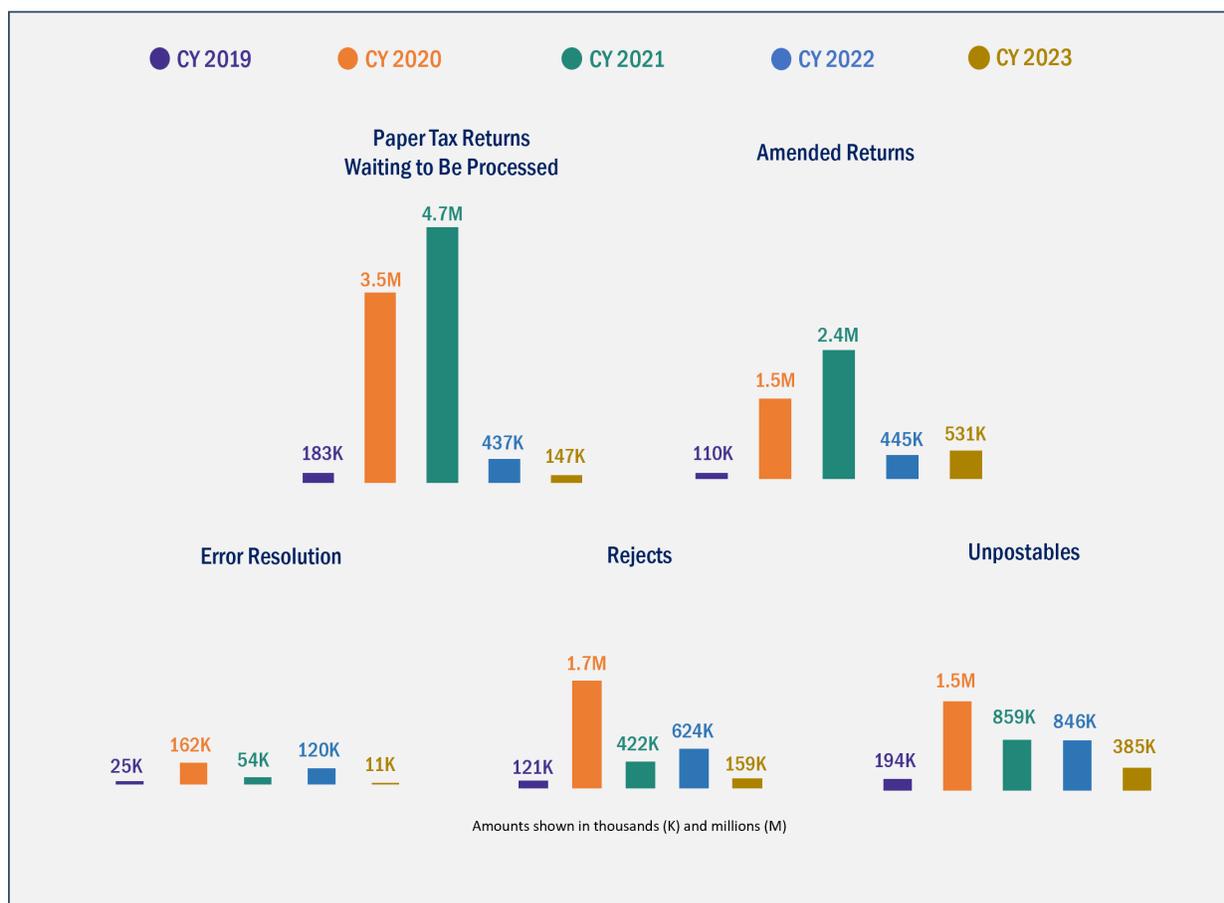
Management’s Response: The IRS disagreed with the outcome measure. Campus Case selection does not have a workstream that addresses disaster distributions. Working these cases would require a significant amount of effort to develop the project, correspondences, conduct training, and identify cases. Additionally, only 10 of the cases identified met their examination criteria. It would not be an efficient use of their limited resources to pursue this work. Therefore, the projected revenue protection is less than the cost of developing a work stream to address the very small number of cases that would be cost-effective to work.

Office of Audit Comment: As noted in their response, management reviewed the 39 tax returns that we identified and determined that no further action was warranted. IRS management completed this review after we issued our draft report, thus we could not verify the accuracy of their response.

Individual Tax Return Inventory Comparison

Figure 1 provides a comparison of individual tax return inventory levels in various stages of processing that the IRS normally carried into the subsequent years' filing season compared to inventory levels carried into the 2024 Filing Season.

Figure 1: Comparison of Individual Return Inventory Carried Over to the Next Filing Season



Source: IRS Filing Season Statistics Report for the week ending Dec. 28, 2019; IRS inventory numbers provided to TIGTA for the weeks ending Dec. 29, 2020, Dec. 28, 2021, Dec. 30, 2022, and Dec. 29, 2023; and the Customer Account Services Form 1040X Consolidated Inventory Report for the weeks ending Dec. 28, 2019, Dec. 26, 2020, Jan. 1, 2022, Dec. 31, 2022, and Dec. 30, 2023. CY = Calendar Year. Amended Returns = Form 1040-X, Amended U.S. Individual Income Tax Return.

Management's Response to the Draft Report



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

February 20, 2025

MEMORANDUM FOR DANNY VERNEUILLE
ACTING DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: Kenneth C. Corbin  Date: 2025.02.20
Chief, Taxpayer Services Division 16:27:25 -05'00'

SUBJECT: Draft Audit Report – Final Results of the 2024 Filing Season
(Audit No.: 2024408024)

Thank you for the opportunity to review and provide comments on the subject draft report. The 2024 filing season marked significant achievements by the IRS as we continued to modernize our operations by replacing aged equipment and transitioning our process to a more digitally integrated model. Ensuring a high-performing IRS is critical for our nation, as the agency collects approximately \$4.7 trillion in revenues each year, generating about 96 percent of the funding that supports the federal government's operations – everything from roads and other infrastructure to education and the nation's military.

We remained focused on improving service to taxpayers, offering them more in-person and online resources as part of our effort to deliver another successful tax season. Taxpayers and tax professionals saw additional improvements in our operations and service in 2024 that made it easier for them to prepare and file taxes. Working hard to build upon the accomplishments of last year, we exceeded several transformation goals set for the filing season:

- We again committed to an 85 percent level of service on our main toll-free phone line during the filing season. As of the end of filing season, we exceeded that level of service, meaning the vast majority of callers routed to live assistants were able to connect and receive support.
- Our goal of having an average call wait time of five minutes or less was exceeded as of the end of filing season by accomplishing an average wait time of about three minutes.
- Taxpayers were given the ability to opt for a call back from the IRS if their wait time on the phone was more than 15 minutes. This saved taxpayers many thousands of hours of wait times.

- Self-service support options in a number of areas were increased, such as the Where's My Refund and Where's My Amended Return tools, which used conversational voice bot technology for the first time to help taxpayers get answers on the status of their refund or amended return more quickly.
- We provided more in-person help at our Taxpayer Assistance Centers (TACs), with a goal of delivering 8,500 more hours of in-person assistance than we did during the 2023 filing season. We exceeded that goal, having delivered 9,000 more hours of in-person assistance. We expanded hours at nearly 250 TACs around the country during the filing season. And we again offered special Saturday hours at TAC locations around the country.

We appreciate the opportunity to provide these comments and remain committed to addressing challenges, modernizing our systems, and delivering high-quality service to taxpayers. Our responses to your specific recommendations are enclosed. If you have any questions, please contact me, or a member of your staff may contact Joseph Dianto, Director, Customer Account Services, at 470-639-3504.

Attachment

Recommendations

The Chief, Taxpayer Services, should:

RECOMMENDATION 1

Develop a code that can be placed on tax accounts during tax return processing to identify when a [REDACTED] on the current year Form 5695.

CORRECTIVE ACTION

We agree. We will develop a code that can be placed on tax accounts during tax return processing to identify when a [REDACTED] on the current year Form 5695, *Residential Energy Credit*.

IMPLEMENTATION DATE

January 15, 2026

RESPONSIBLE OFFICIAL

Director, Submission Processing, Customer Account Services Taxpayer Services Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 2

Identify and update computer programming which prevented tax returns incorrectly claiming the Residential Clean Energy Credit from being identified by the Error Resolution program.

CORRECTIVE ACTION

We agree. We will identify and update computer programming which prevented tax returns incorrectly claiming the Residential Clean Energy Credit from being identified by the Error Resolution program.

IMPLEMENTATION DATE

January 15, 2026

RESPONSIBLE OFFICIAL

Director, Submission Processing, Customer Account Services, Taxpayer Services Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 3

Evaluate and update computer programming to disallow the credit for qualified fuel cell property when taxpayers do not meet the minimum kilowatt usage requirement.

CORRECTIVE ACTION

We agree. We will evaluate and update computer programming to disallow the credit for qualified fuel cell property when taxpayers do not meet the minimum kilowatt usage requirement.

IMPLEMENTATION DATE

January 15, 2026

RESPONSIBLE OFFICIAL

Director, Submission Processing, Customer Account Services, Taxpayer Services Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 4

Evaluate and update computer programming to fix the formatting issues that are resulting in improperly allowed fuel cell property credit amounts.

CORRECTIVE ACTION

We agree. We will evaluate and update computer programming to fix the formatting issues that are resulting in improperly allowed fuel cell property credit amounts.

IMPLEMENTATION DATE

January 15, 2026

RESPONSIBLE OFFICIAL

Director, Submission Processing, Customer Account Services, Taxpayer Services Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 5

Review the 1,537 tax returns we identified that did not meet the kilowatt requirement or had a miscalculated credit and take action to recover the potential erroneously issued credit amounts.

CORRECTIVE ACTION

We agree. On January 23, 2025, we reviewed the 1,537 tax returns identified as not meeting the kilowatt requirement or had a miscalculated credit and determined no further actions are warranted.

IMPLEMENTATION DATE

Implemented

RESPONSIBLE OFFICIAL

Director, Exam Case Selection, Examination Headquarters, Examination, Small Business/Self-Employed Division

CORRECTIVE ACTION MONITORING PLAN

N/A

RECOMMENDATION 6

Take steps to periodically identify and recover erroneously issued credits until computer programming can be implemented to correct the identified issues.

CORRECTIVE ACTION

We disagree. We already have workstreams that address erroneously issued credits; however, historically these credit amounts do not exceed our campus exam tolerance for audit consideration.

IMPLEMENTATION DATE

N/A

RESPONSIBLE OFFICIAL

N/A

CORRECTIVE ACTION MONITORING PLAN

N/A

Recommendation

The Chief Tax Compliance Officer, should:

RECOMMENDATION 7

Incorporate the use of the code developed in response to Recommendation 1 when selecting tax returns for post-processing compliance to verify the [REDACTED]

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CORRECTIVE ACTION

We disagree. The Small Business/Self-Employed Campus Case Selection function has a post-processing rule in place that identifies cases with Form 5695 [REDACTED]

IMPLEMENTATION DATE

N/A

RESPONSIBLE OFFICIAL

N/A

CORRECTIVE ACTION MONITORING PLAN

N/A

Recommendations

The Chief, Taxpayer Services, should:

RECOMMENDATION 8

Develop processes to enforce and systemically verify that e-filed tax returns claiming the Alternative Fuel Vehicle Refueling Property Credit have [REDACTED] used to claim the credit.

CORRECTIVE ACTION

We agree. We will develop processes to enforce and systemically verify that e-filed tax returns claiming the Alternative Fuel Refueling Property Credit have [REDACTED] used to claim the credit.

IMPLEMENTATION DATE

January 15, 2026

RESPONSIBLE OFFICIAL

Director, e-File Services, Submission Processing, Customer Account Services, Taxpayer Services Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 9

Revise Form 8911 to capture the number of properties claimed for the Alternative Fuel Vehicle Refueling Property Credit.

CORRECTIVE ACTION

We agree. We will submit a request to revise Form 8911, *Alternative Fuel Vehicle Refueling Property Credit*, for the 2025 tax year, to capture the number of properties claimed for the Alternative Fuel Vehicle Refueling Property Credit

IMPLEMENTATION DATE

February 15, 2026

RESPONSIBLE OFFICIAL

Director, Enterprise Activities Practice Area, Large Business and International Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 10

Develop computer programming to limit the personal use part of the credit to [REDACTED]

CORRECTIVE ACTION

We agree. We will submit a request for transcription and business rules to limit the personal use part of the credit [REDACTED] corresponding to the number of properties claimed for the Alternative Fuel Vehicle Refueling Property Credit for Processing Year 2026.

IMPLEMENTATION DATE

February 15, 2026

RESPONSIBLE OFFICIAL

Director, Enterprise Activities Practice Area, Large Business and International Division

CORRECTIVE ACTION MONITORING PLAN

We will monitor this corrective action as part of our internal management control system.

RECOMMENDATION 11

Develop computer programming to systemically ensure that e-filed returns claiming a qualified disaster distribution that is exempt from the early distribution tax do not exceed the \$22,000 statutory limitation.

CORRECTIVE ACTION

We disagree. The IRS does not have the authority under the Internal Revenue Code to systemically correct or adjust returns on which this condition is present. The permitted treatment is an examination of the return under deficiency procedures, in which

taxpayers are afforded the right to appeal an adverse decision through administrative processes and to the United States Tax Court. With regard to the 11,377 returns claiming a qualified disaster distribution reviewed during this audit, only 10 cases met our established tolerance. Based on the risk identified and other competing compliance challenges, we do not believe it is prudent to divert resources toward developing identifying capabilities for post-processing compliance intervention.

IMPLEMENTATION DATE

N/A

RESPONSIBLE OFFICIAL

N/A

CORRECTIVE ACTION MONITORING PLAN

N/A

RECOMMENDATION 12

Review the 39 tax returns that we identified exceeding the statutory limit for the early distribution tax and take appropriate action to correct them.

CORRECTIVE ACTION

We agree. On January 23, 2025, we reviewed the 39 tax returns that were identified as exceeding statutory limit for the early distribution tax and determined no further actions were warranted.

IMPLEMENTATION DATE

Implemented (January 23, 2025)

RESPONSIBLE OFFICIAL

Director, Exam Case Selection, Examination Headquarters, Examination, Small Business/Self-Employed Division

CORRECTIVE ACTION MONITORING PLAN

N/A

OUTCOME MEASURE

Revenue Protection – Potential: \$476,278 in erroneous nonrefundable tax credits paid to [REDACTED] Tax Year 2023 tax returns claiming the Residential Clean Energy Credit with qualified fuel cell property not meeting the minimum kilowatt capacity rating requirement of 0.5 kilowatt (see Recommendations 3 and 5).

IRS RESPONSE

We disagree. Each year, Campus Case selection evaluates the cost of examinations and sets appropriate criteria. The cost to work these cases would exceed the adjustment amount.

OUTCOME MEASURE:

Revenue Protection – Potential: \$100,000 in reduced tax liability on 39 tax returns overclaiming the statutory disaster distribution amount. (see Recommendations 11 and 12).

IRS RESPONSE:

We disagree. Campus Case selection does not have a workstream that addresses disaster distributions. Working these cases would require a significant amount of effort to develop the project, correspondences, conduct training and identify cases. Additionally, only 10 of the cases identified met our examination criteria. It would not be an efficient use of our limited resources to pursue this work. Therefore, the projected revenue protection is less than the cost of developing a work stream to address the very small number of cases that would be cost-effective to work.

Glossary of Terms

Term	Definition
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 a business rule.
Direct Hiring Authority	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.
Employee User Portal	Internal IRS portal that allows IRS employee users to access IRS data systems, such as tax administration processing systems, financial information systems, and other data and applications, including mission-critical applications. TIGTA auditors can also request access to this information.
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 Jan. 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 Oct. 1 and ends on Sept. 30.
Free File Program	A free federal tax preparation and e-filing program for eligible taxpayers developed through a partnership between the IRS and the Free File Program. The Free File Program is a group of private sector tax software companies.
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 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	IRS database that stores various types of taxpayer account information. This database includes individual, business, and employee plans and exempt organizations data.
Modernized Tax Return Database	The official repository of all electronic returns processed through the Modernized e-File system.

Final Results of the 2024 Filing Season

Term	Definition
Paper Tax Returns Waiting to Be Processed	Tax returns, filed on paper, which have not yet been entered into the IRS's tax processing system.
Prisoner File	The IRS compiles a list of prisoners 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.
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 return. When the taxpayer responds, the tax examiner will resolve the issue, and the return will continue processing.
Security Summit	A unique public-private partnership formed in Calendar Year 2015 to protect taxpayers and the tax system against identity theft refund fraud. The Security Summit consists of the IRS, state tax agencies, and the tax community, including tax preparation firms, software developers, payroll and tax financial product processors, tax professional organizations, and financial institutions.
Tax Examiner	An employee located in a field office who conducts examinations through correspondence. However, the tax examiner position is also used for many other types of positions located in various IRS offices.
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.
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 ITIN.
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 the Volunteer Income Tax Assistance program and the Tax Counseling for the Elderly program. The Volunteer Program provides free tax assistance to persons with low-to-moderate income (generally defined as within the Earned Income Tax Credit threshold), senior citizens, persons with disabilities, persons living in rural areas, those with limited English proficiency, and Native Americans.

Abbreviations

e-file(d); e-filing	Electronically File(d); Electronic Filing
IP PIN	Identity Protection Personal Identification Number
IRA	Inflation Reduction Act of 2022
IRS	Internal Revenue Service
ITIN	Individual Taxpayer Identification Number
SOP	Strategic Operating Plan
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.