

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



Results of the 2020 Filing Season and Effects of COVID-19 on Tax Processing Operations

March 22, 2021

Report Number: 2021-46-023

HIGHLIGHTS: Results of the 2020 Filing Season and Effects of COVID-19 on Tax Processing Operations

Final Audit Report issued on March 22, 2021

Report Number 2021-46-023

Why TIGTA Did This Audit

This audit was initiated to provide selected information related to the IRS's 2020 Filing Season, including information related to the impact of the Coronavirus Disease 2019 (COVID-19). The overall objective of this review was to evaluate whether the IRS timely and accurately processed individual paper and electronically filed tax returns during the 2020 Filing Season.

Impact on Taxpayers

The filing season, defined as the period from January through mid-April, is critical for the IRS. It is during this time that most individuals file their income tax return and contact the IRS if they have questions about specific laws or filing procedures.

The 2020 Filing Season was unlike any other. The IRS had to take unprecedented and drastic actions to address COVID-19 and protect the health and safety of its employees and the taxpaying public. These actions included closing Taxpayer Assistance Centers, Tax Processing Centers, and offices nationwide. In addition, on March 20, 2020, the Department of the Treasury extended the Federal income tax filing due date from April 15, 2020, to July 15, 2020.

As of November 13, 2020, the IRS received approximately 167.9 million tax returns (with 90.8 percent electronically filed) and issued more than 125 million refunds totaling \$315.9 billion.

What TIGTA Found

As of December 25, 2020, the IRS had more than 11.7 million paper-filed individual and business returns that still needed to be processed. The backlog of returns, correspondence, and other types of work resulting from the pandemic has and will continue to have a significant impact on the associated taxpayers. For example, the unprocessed individual returns, as well as the additional returns and correspondence in the Error Resolution, Rejects, Unpostables functions and the Accounts Management inventory, include taxpayers who have yet to receive their Tax Year 2019 tax refunds.

The IRS's ability to resolve these backlogs could be affected by the need to divert resources to issue additional Economic Impact Payments or an unforeseen closure of IRS Tax Processing Centers due to the pandemic. The ability of these taxpayers to contact the IRS to receive updated information about the status of their refunds is a further challenge as staffing issues continue to hinder the IRS's ability to provide adequate customer service.

Much of the work performed at the IRS's Tax Processing Centers is not conducive to a telework environment. This work includes the receiving, sorting, and distributing of mail and the processing of paper tax returns, which requires manually inputting information from the tax return into IRS systems, correcting errors, and corresponding with the taxpayer, if needed. As of November 14, 2020, the IRS had more than 2.9 million pieces of unopened mail and 4.7 million individual paper tax returns to process. In addition, the IRS had more than 600,000 returns in its Error Resolution inventory, nearly 3.7 million cases in its Accounts Management inventory, and more than 1.3 million returns in its fraud program inventories as of this same period.

When the IRS closed its offices nationwide, it stopped answering 81 of its 87 toll-free taxpayer assistance telephone lines and closed all 358 Taxpayer Assistance Centers. In addition, 10,792 of the 11,014 Volunteer Income Tax Assistance/Tax Counseling for the Elderly partner sites remained closed as of May 24, 2020. The IRS had reopened 80 of its toll-free telephone lines as of November 5, 2020, and 263 of its Taxpayer Assistance Centers as of November 16, 2020.

What TIGTA Recommended

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



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

U.S. DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

March 22, 2021

MEMORANDUM FOR: COMMISSIONER OF INTERNAL REVENUE

A handwritten signature in blue ink, appearing to read "Michael E. McKenney".

FROM: Michael E. McKenney
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Results of the 2020 Filing Season and Effects of COVID-19 on Tax Processing Operations (Audit # 202040513)

This report presents the results of our review to evaluate whether the Internal Revenue Service (IRS) timely and accurately processed individual paper and electronically filed tax returns during the 2020 Filing Season. This review was part of our Fiscal Year 2020 Annual Audit Plan and addresses the major management and performance challenge of *Implementing Tax Law Changes*.

This report was prepared to provide information only. Therefore, we made no recommendations in the report. However, we provided IRS management officials with an advance copy of this report for review and comment prior to issuance. Management's complete response to the draft report is included as Appendix II.

Copies of this report are also being sent to the IRS managers affected by the report information. If you have any questions, please contact me or Russell P. Martin, Assistant Inspector General for Audit (Returns Processing and Account Services).

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Background

Due to Coronavirus Disease 2019 (COVID-19), the 2020 Filing Season¹ is unlike any other. The Internal Revenue Service (IRS) took unprecedented and drastic actions to protect the health and safety of its employees and the taxpaying public. For example, the IRS closed its Taxpayer Assistance Centers (TAC), Tax Processing Centers, and other offices nationwide. To ensure an orderly shutdown of its Tax Processing Centers, the IRS followed existing guidelines that are used when operations are ceased due to a lapse in funding. The major difference with the COVID-19 shutdown was that it had less time to prepare due to the urgency of the health crisis.

Employees were directed to evacuate their work sites, and those who were approved to telework started working from home (or an alternate location). Employees who were not yet approved but were able to telework had to complete training, sign agreements, and obtain the necessary equipment to enable teleworking. The remaining employees were put on weather and safety leave. Figure 1 details the specific date each of the Tax Processing Centers were closed as well as the date the centers began to resume full operations.

Figure 1: Tax Processing Center Closures Due to COVID-19 and Reopening Dates in Calendar Year 2020

Location	Date Closed	Date Reopened
Fresno, California	March 20	June 29
Austin, Texas	March 25	June 1
Kansas City, Missouri	March 25	June 15
Ogden, Utah	April 6	June 1

Source: IRS management reports and notification for each location's closure and reopening dates.

The Department of the Treasury extended the Federal income tax filing due date for individuals from April 15, 2020, to July 15, 2020. On March 20, 2020, this tax relief postponed various tax filing and payment deadlines due on April 15, 2020. As a result, affected individuals and businesses had until July 15, 2020, to file returns and pay any taxes that were originally due during this period. This included 2019 individual and business returns due on April 15.² Taxpayers were also permitted to defer Federal income tax payments due on April 15, 2020, to July 15, 2020, without penalties and interest.

Legislation was enacted to help businesses and individuals respond to COVID-19.

Legislation was enacted with numerous tax-related provisions affecting individuals and businesses. This legislation appropriated more than \$765 million in additional funding to the IRS to administer and oversee the provisions. The initial legislation included:

¹ See Appendix III for a glossary of terms. The filing season is critical for the IRS as it is during this time that most individuals file their income tax return and contact the IRS if they have questions about specific laws or filing procedures.

² Subsequent guidance further extended the relief to tax payments and filing obligations due on or after April 1, 2020.

- *Families First Coronavirus Response Act*,³ signed into law on March 18, 2020, provides businesses with tax credits to cover certain costs of providing employees with paid sick leave and expanded family and medical leave for reasons related to COVID-19 from April 1, 2020, through December 31, 2020. Eligible employers can claim these credits on their Federal employment tax returns, e.g., Form 941, *Employer's Quarterly Federal Tax Return*, or an employer can benefit more quickly by reducing its Federal employment tax deposits. For those employers for which there are insufficient Federal employment taxes to cover the amount of the employer's credit, the employer may request an advance payment of the credits from the IRS by submitting Form 7200, *Advance Payment of Employer Credits Due to COVID-19*. The Treasury Inspector General for Tax Administration (TIGTA) has ongoing and planned oversight activities to help ensure that eligible taxpayers are receiving timely relief from financial hardship caused by the COVID-19 pandemic and that the IRS quickly identifies control weaknesses to prevent Federal Government funds from being wasted.⁴
- *Coronavirus Aid, Relief, and Economic Security Act (CARES Act)*,⁵ signed into law on March 27, 2020, is the largest economic rescue package in U.S. history and included a number of provisions that have a significant impact on the IRS and Federal tax administration. This includes issuing recovery rebates, also referred to as economic impact payments (EIP), of \$1,200 per individual (\$2,400 to couples filing a joint return), and \$500 for each qualifying child. The payments are to be issued to all U.S. residents with income below certain threshold amounts who meet certain other criteria, such as having a work-eligible Social Security Number. TIGTA has ongoing separate reviews to assess the IRS's implementation of the recovery rebate payments for individuals under the CARES Act and efforts to ensure that eligible individuals receive an EIP.⁶ Figure 2 provides highlights of CARES Act provisions.

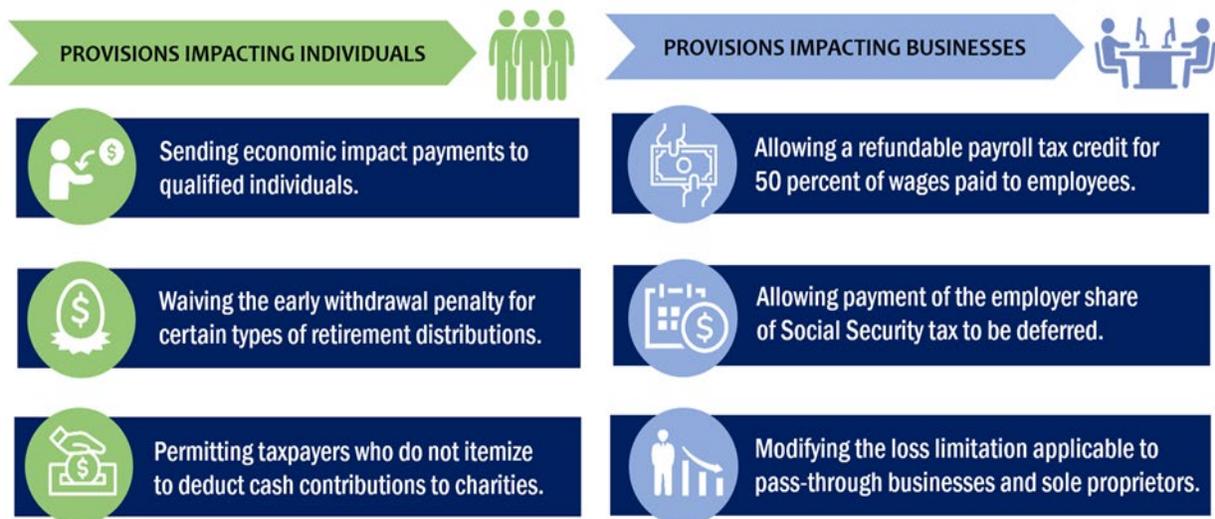
³ Pub. L. No. 116-127.

⁴ Treasury Inspector General for Tax Administration (TIGTA), Audit No. 202040633, *Assessment of Actions Taken to Provide Relief to Businesses as a Result of the Coronavirus*; TIGTA, Audit No. 202040636, *Processing of COVID-19 Amended Return and Tentative Refund Claims*; and TIGTA, Audit No. 202040637, *Assessment of Efforts to Address Tax Processing Center Backlogs Relating to Business Taxpayers*.

⁵ Pub. L. No. 116-136, 134 Stat. 281.

⁶ TIGTA, Audit No. 202040632, *Review of the Implementation of the CARES Act Recovery Rebate for Individuals*, and TIGTA, Audit No. 202040634, *Assessment of Actions to Ensure That All Eligible Individuals Receive an Economic Impact Payment*.

Figure 2: Highlights of CARES Act Provisions



Source: Treasury Inspector General for Tax Administration (TIGTA) analysis of the CARES Act.

Tax law changes affecting the 2020 Filing Season

In our interim report, we provided a synopsis of key tax law provisions that we were evaluating.⁷ These provisions were selected based on our analysis of legislation with tax law changes that affect individual taxpayers filing Tax Year 2019 tax returns during the 2020 Filing Season. Figure 3 provides a summary of these provisions.

Figure 3: Summary of Key Tax Law Provisions Affecting Tax Year 2019

Tax Law	Description
<p><i>Further Consolidated Appropriations Act, 2020</i>⁸ – Includes multiple pieces of legislation that extend many expired tax provisions.</p>	<p>Section 102 – Treatment of Mortgage Insurance Premiums As Qualified Residence Interest. Qualified mortgage insurance premiums may be deductible as an itemized deduction, subject to certain limits for amounts paid or accrued after December 31, 2017.</p> <p>Section 103 – Reduction in Medical Expense Deduction Floor. Taxpayers may deduct medical expenses as an itemized deduction to the extent that they exceed 7.5 percent of Adjusted Gross Income, down from 10 percent.</p> <p>Section 104 – Deduction of Qualified Tuition and Related Expenses. A deduction to Adjusted Gross Income of up to \$4,000 of qualified tuition and related expenses.</p> <p>Section 123 – Nonbusiness Energy Property. A credit of 10 percent of the cost of homeowners’ energy-efficient property improvements or the cost of residential energy property purchases, subject to limits based on the type of property and a lifetime limit of \$500.</p>

⁷ TIGTA, Ref. No. 2020-45-024, *Interim Results of the 2020 Filing Season* (Apr. 2020)

⁸ Pub. L. No. 116-94.

Results of the 2020 Filing Season and Effects of COVID-19 on Tax Processing Operations

Tax Law	Description
<i>Taxpayer First Act</i> ⁹ – Requires the IRS to propose an organizational redesign with the goals of improving efficiency, modernizing systems and business processes, and finding ways to better serve taxpayers.	<p>Section 1406 – Customer Service Information. Requires the IRS to provide information about common tax scams, how to report tax scams, and tips on how to protect against identity theft and tax scams over the telephone while taxpayers are on hold with an IRS call center.</p> <p>Section 2303 – Payment of Taxes by Debit and Credit Cards. Enables the IRS to directly accept credit and debit card payments for income taxes due provided that the fee is paid by the taxpayer.¹⁰</p>
<i>Tax Cuts and Jobs Act of 2017</i> ¹¹ – Contains 119 tax provisions administered by the IRS that affect both domestic and international taxes.	<p>Section 11051 – Repeal of the deduction for alimony payments for any divorce or separation executed after December 31, 2018.</p> <p>Section 11081 – Elimination of the Shared Responsibility Payment for individuals who did not maintain minimum essential health care insurance coverage for themselves and their dependents.</p>
<i>Protecting Americans From Tax Hikes Act of 2015</i> ¹² – Contains a number of provisions referred to as program integrity provisions intended to reduce fraudulent and improper Earned Income Tax Credit, Child Tax Credit, Additional Child Tax Credit, and American Opportunity Tax Credit payments.	Section 201 – Modification of filing dates of returns and statements related to employee wage information and nonemployee compensation to improve compliance.

Source: TIGTA's summary of tax law provisions presented in the Interim Results of the 2020 Filing Season report.

However, in response to the COVID-19 pandemic, we changed the scope of our review to include testing to assess the effect of the pandemic on the IRS's continuity of operations. As Figure 1 shows, the Tax Processing Centers were closed between March 20, 2020, and June 29, 2020.¹³ As such, the IRS was unable to perform many of its essential functions. The IRS continues to face operating challenges because of additional measures needed to help ensure the personal safety of its workers and to work through significant backlogs in paper return filings, payments, correspondence, error resolution, and fraud detection cases. We will reevaluate resuming testing on the provisions detailed in Figure 3 as part of our planning for our 2021 Filing Season review.

Prior TIGTA recommendations

Similar to the previously mentioned key tax provisions, we plan to include a review of the IRS's implementation of corrective actions to address prior TIGTA recommendations in our 2021 Filing Season review. Figure 4 provides a summary of these prior recommendations.

⁹ Pub. L. No. 116-25, 133 Stat. 981.

¹⁰ Prior to this legislation, taxpayers were able to pay their taxes using a debit/credit card; however, the payment had to go through various third-party partners.

¹¹ Pub. L. No. 115-97, 131 Stat. 2054.

¹² Consolidated Appropriations Act, 2016, Pub. L. No. 114-113, 129 Stat. 2242 (2015).

¹³ As shown in Figure 1, the Fresno, California, Tax Processing Center was closed through this entire period and the other three had various opening and closing dates within this time period.

Figure 4: Summary of IRS Planned Corrective Actions to Prior TIGTA Recommendations That TIGTA Will Evaluate During the 2021 Filing Season

Recommendation	Corrective Action
<p>Estimated Tax Penalty Relief – The IRS should ensure that any remaining penalty assessments qualifying for the 80 percent waiver are identified and abated. This includes those penalties that have already been assessed as well as those that may be assessed on Tax Year 2018 returns filed throughout Processing Year 2019.</p>	<p>The IRS agreed with this recommendation and indicated that the affected accounts were being reviewed and corrected as needed. IRS management also stated that they plan to perform data analysis on all Tax Year 2018 returns filed by the extended return due date of October 15, 2019, to identify taxpayers who qualified for the waiver and did not claim it. After identification of the accounts, management indicated that they will perform a systemic abatement of the penalty assessments.</p> <p>During the 2021 Filing Season, we will follow up with the IRS to see if estimated tax penalty relief was provided to all eligible taxpayers.</p>
<p>Business Rule Programming – The IRS should correct business rules for tax returns claiming the following items:</p> <ul style="list-style-type: none"> • An increased standard deduction. • A blank or zero amount on the Other Adjustments Statement. • Child Tax Credit or Additional Child Tax Credit when the child claimed has an Adoption Taxpayer Identification Number or Individual Taxpayer Identification Number. • Additional Child Tax Credit that exceeds the statutory limit of \$1,400 per child. 	<p>The IRS agreed with these recommendations and submitted programming changes to address the issues.</p> <p>During the 2021 Filing Season, we plan to quantify the benefit resulting from the IRS programming changes.</p>

Source: TIGTA summary of prior recommendations and related corrective action.

Results of Review

This report presents the results of our continued assessment of the 2020 Filing Season. Our 2020 Filing Season results are being presented as of November 28, 2020. If we were able to get updated information prior to the issuance of our report, we noted this and added the most up-to-date information. We plan to continue to monitor IRS efforts to address backlogs of work in its various Submission Processing functions and will provide further results in our interim 2021 Filing Season report that we plan to issue in April 2021.

As of December 25, 2020, the IRS had more than 11.7 million paper-filed individual and business returns that still need to be processed. The backlog of returns, correspondence, and other types of work resulting from the pandemic has and will continue to have a significant impact on the associated taxpayers. For example, the unprocessed individual returns, as well as the additional returns and correspondence in Error Resolution, Rejects, Unpostables, and Accounts Management inventories, include taxpayers who have yet to receive their Tax Year 2019 tax refunds. The ability of these taxpayers to contact the IRS to receive updated information about

the status of their refunds is a further challenge as staffing issues continue to hinder the IRS’s ability to provide adequate customer service. The ability to resolve these backlogs could be affected by the need to divert resources to issue additional EIPs or an unforeseen closure of IRS Tax Processing Centers due to the ongoing pandemic. Of particular concern is the continued challenges in hiring sufficient staff needed to both continue to work backlog inventory and process Tax Year 2020 tax returns at the same time. This could further affect taxpayers awaiting refunds and additional Recovery Rebate Credits associated with these Tax Year 2020 returns. We plan to continue to monitor IRS efforts to address these ongoing challenges.

Much of the work performed at the IRS’s Tax Processing Centers is not conducive to a telework environment. This work includes the receiving, sorting, and distributing of mail and the processing of paper tax returns, which requires manually inputting information from the tax return into IRS systems, correcting errors, and corresponding with the taxpayer, if needed. In closing its Tax Processing Centers, IRS management worked with each of the processing functions to complete any in-process inventory by the end of the final work shift on the day of closing. They also ensured that all tax returns received as of the closing of the Centers were secured and marked so it would be easy to pick up where they left off when the Tax Processing Centers reopened.¹⁴ Figure 5 provides an overview of the numerous functional areas within the IRS’s Submission Processing function and a brief description of work performed.

Figure 5: Overview of the IRS’s Submission Processing Function

Function	Description
Batching	Tax returns are counted and put into bundles or “batches” by the type of returns and by whether there is a remittance.
Code and Edit	Paper tax returns are manually reviewed for errors or missing information and prepared for computer processing by editing the documents with specialized processing codes to perform specific functions.
Data Conversion	Paper tax returns are manually input into the IRS’s computer system.
Deposit	Processes payments received in the Tax Processing Centers.
Error Resolution	Tax returns identified with an error condition are suspended from processing and sent to a tax examiner for correction.
Extracting and Sorting	Mail is removed from envelopes. Tax returns are categorized by form type and by whether there is a remittance. Correspondence is routed to the appropriate areas.
Mail Receipt	The mail operation receives and routes all incoming mail and packages to their appropriate destinations.
Numbering	Each tax return is hand stamped with a Document Locator Number for tracking purposes.
Rejects	Tax returns which 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.
Unpostables	Transactions that will not post to the taxpayer’s account because it failed validity checks. The unpostable condition must be resolved in order to complete processing of the transaction.

Source: TIGTA analysis of Submission Processing functions.

¹⁴ Paper tax returns are controlled in the IRS’s Batch Block Tracking System. This system is used to track levels of inventory at various stages of the processing of a paper tax return.

Closure of Tax Processing Centers resulted in significant backlogs in each of the IRS's Submission Processing functional areas

Since reopening its Tax Processing Centers, the IRS has been faced with the continued and ongoing challenge of working through significant backlogs of work in many of its Submission Processing functional areas along with the need to plan for the upcoming 2021 Filing Season. Figure 6 provides a comparison of IRS-reported volumes of work to be processed as of May 23, 2020, (approximately one week prior to when operations resumed) to estimates of work remaining as of November 14, 2020. Figure 6 also provides estimates of work that remained in inventories as of the end of Calendar Year 2019 in order to show that the volumes towards the end of Calendar Year 2020 were much higher than normal.

Figure 6: Estimates of Work Remaining to Be Processed as of the Weeks Ending May 23, 2020; November 14, 2020; and December 28, 2019

Type of Work Remaining	Week Ending May 23, 2020	Week Ending November 14, 2020	Prior Year Week Ending December 28, 2019
Unopened Mail Volumes	10,276,573	2,964,216	<i>Not Available</i>
Paper Tax Returns – Individual	10,070,000	4,702,000	183,000
Error Resolution – Individual	1,535,229	601,917	24,621
Rejects – Individual	1,110,332	1,681,994	121,397
Unpostables – Individual	585,457	1,195,850	193,536
Accounts Management – Individual and Business (Adjustments)	1,176,723	1,471,862	1,263,397

Source: IRS Filing Season Statistics, Mail Receipts, and Accounts Management Inventory Reports for the weeks ending December 28, 2019; May 23, 2020; and November 14, 2020.

The Tax Processing Centers are currently open and not limited in space because IRS management worked to update space configurations in order to operate safely. However, the IRS was not always able to operate at full capacity due to social distancing requirements. These requirements include limiting close contact with other employees and maintaining a physical distance of at least six feet in an effort to reduce the spread of COVID-19. In addition, many employees remain on weather and safety leave. For example, as of November 13, 2020, the IRS reports 8,471 (77.8 percent) of the 10,888 Submission Processing employees were working either in IRS locations or by telework. The remaining 2,417 (22.2 percent) employees are on weather and safety leave because they claimed to be at high risk for severe illness from COVID-19. As of September 17, 2020, the IRS announced that it would require medical documentation for those employees claiming high risk beginning October 13, 2020. Figure 7 provides the number of employees working at each Tax Processing Center when they closed compared to those on weather and safety leave, working on-site, and working remotely as of November 13, 2020.

Figure 7: Comparison of Tax Processing Center Staffing Levels as of November 13, 2020

Location	Staff Prior to Closure	Staff on Weather and Safety Leave	Staff Working On-Site	Staff Teleworking
Fresno, California	2,020	481	1,345	227
Kansas City, Missouri	2,564	749	1,951	229
Austin, Texas	3,011	736	1,877	334
Ogden, Utah	2,487	451	1,981	527

Source: IRS management reports.

In an effort to address inventory backlogs, the IRS continues to increase employee telework capability, has provided incentive pay for employees returning to work in key functional areas like the mail sorting operations (prior to the Tax Processing Centers being fully reopened), and has offered overtime to all of its employees. The IRS is also transshipping mail from one Tax Processing Center to another to be worked. For example, the Kansas City Tax Processing Center transshipped 475,000 unopened mail items to the Austin Tax Processing Center to be worked. In addition, the IRS transshipped mail to two lockbox facilities. These lockbox locations would extract the contents, deposit payments when necessary, and return any tax returns to the Tax Processing Center for processing.

Finally, the IRS plans to increase its hiring for the 2021 Filing Season, which will in part help reduce backlogs. IRS management indicated that they have been unable to hire as many new employees as they expected. They plan to hire more than 5,000 employees in Submission Processing in Fiscal Year 2021. However, their short-term goal to hire between 500 and 600 individuals between October and December 2020 is falling short, with 72 individuals hired as of November 19, 2020. IRS management indicated that some offices experienced hiring delays due to problems with the processing of applicants and that applicant pools are low. We will continue to evaluate and report on IRS efforts to address 2020 Filing Season backlogs while also preparing for the upcoming 2021 Filing Season.¹⁵

Unopened mail backlog is decreasing; however, inventory and backlogs in other Submission Processing functions are increasing

As of May 23, 2020, the IRS estimated that it had received 13.4 million pieces of mail while the Tax Processing Centers were closed and had 10.3 million pieces of mail that were not opened. The amount of unopened mail grew to a high of more than 11.9 million as of June 20, 2020. However, as of November 14, 2020, the IRS estimates nearly 3 million pieces of mail still need to be opened. The unopened mail includes tax returns, taxpayer correspondence, payments, and mail returned as undeliverable. Once opened, the majority of this mail requires a functional area within Submission Processing to take some type of action. This in turn moves the piece of mail from unopened mail inventory to the receiving functions' inventory, which then increases the inventory and backlogs in these functional areas. For example, if the content of the mail is a tax

¹⁵ Planned Interim Filing Season Review for Processing Year 2021.

return, then the return will be sent to the IRS’s Batch Block Tracking System to begin the processing of the tax return.

The IRS will continue to receive mail through the end of the calendar year, which will continue to increase the inventory of work in other functional areas. IRS reports dated December 19, 2020, show that all of the Tax Processing Centers are opening current mail.

Processing Tax Returns

During Calendar Year 2020, the IRS expected to receive approximately 155.1 million individual income tax returns (15.3 million filed via paper and 139.8 million electronically filed (e-filed)). The IRS began accepting and processing individual tax returns on January 27, 2020, as planned. As of November 13, 2020, the IRS received more than 167.8 million individual income tax returns. Figure 8 presents filing season statistics as of November 13, 2020.

**Figure 8: Filing Season Statistics
(as of November 13, 2020)**

Cumulative Filing Season Data	2020 Actual
Individual Income Tax Returns	
Total Returns Received	167,868,000
Paper Returns Received	15,360,000
E-Filed Returns Received ¹⁶	152,508,000
Practitioner-Prepared	80,429,000
Home Computer	72,079,000
Free File (<i>within Home Computer</i>)	12,015,000
EIP Only (<i>within Free File</i>)	7,800,000
Percentage of Returns E-Filed	90.8%
Refunds¹⁷	
Total Number Issued	125,051,000
Total Dollars	\$315.9 billion
Average Dollars	\$2,527
Total Number of Direct Deposits	102,276,000
Total Direct Deposit Dollars	\$267.1 billion

Source: Multiple 2020 Filing Season reports through November 13, 2020. Totals shown are rounded.

The increase in e-filed returns received over the IRS estimate results from return filings via the IRS’s *Non-Filers: Enter Payment Info Here* tool and other Free File products. The IRS partnered with the Free File Alliance to develop the *Non-Filers: Enter Payment Info Here* tool. This tool

¹⁶ Includes nearly 8.4 million returns for individuals who do not have a filing obligation but filed to receive their EIP. Of the nearly 8.4 million returns, more than 7.8 million (92.9 percent) used Free File for this purpose.

¹⁷ These figures include the interest-only refunds for approximately 13.8 million taxpayers that received their refund earlier in the year without interest. The amount of interest paid was nearly \$249 million.

assists taxpayers who are eligible to receive an EIP but do not have a Federal tax return filing requirement to e-file a short tax return that contains the information the IRS needs to issue their EIP for free. As of November 13, 2020, the IRS received more than 7.8 million e-filed returns via this tool or other Free File products for this purpose.

Millions of individual income tax returns still need to be processed

When the IRS closed its Tax Processing Centers, taxpayers still had the ability to e-file their tax returns. E-filed returns with no identified error(s) or review condition(s) continued to be processed to completion, with any associated refund being issued. However, unlike e-filed returns, no actions could be taken to process paper-filed tax returns while Tax Processing Centers were closed. IRS reports show that 2.7 million paper-filed tax returns had been processed before paper-filed tax return processing was halted. IRS management estimated that there were approximately 3.2 million paper-filed individual tax returns on-site and unprocessed when the Tax Processing Centers closed.

Once Tax Processing Center operations resumed, the number of unprocessed paper-filed individual tax returns had grown to more than 10 million. As of November 13, 2020, the IRS estimated 4.7 million tax returns remained to be processed. IRS reports show on average 343,875 paper-filed tax returns are processed weekly. As such, we estimate that the processing of these tax returns may not be completed until early March 2021. In addition, the IRS has estimated there are an additional 800,000 individual tax returns in the backlog of unopened mail, which could result in an additional three weeks being needed to process all tax returns, pushing the completion to late March 2021.¹⁸ The estimated time frames are also dependent on the IRS's ability to work through inventories of its various functions, *e.g.*, Error Resolution, Rejects, and Unpostables, as shown later in the report.

In an effort to address the backlog of paper tax returns still needing to be processed, the IRS is using staff from other functions to assist in opening mail and is planning to continue to rotate Tax Processing Center employees to those areas where assistance is needed. The IRS has also transshipped unopened mail from Kansas City, Missouri, to the Austin, Texas, Tax Processing Center as well as tax returns from the Ogden, Utah, location to the Fresno, California, Tax Processing Center. It is critical for the IRS to process these Tax Year 2019 returns in order to be prepared to begin processing Tax Year 2020 returns in the 2021 Filing Season. While procedures do exist to allow a Tax Year 2019 return to be processed during the 2021 Filing Season, the time to prepare a tax return for input to the IRS's computer system is lengthened. If the IRS processes the remaining Tax Year 2019 returns left in its inventory prior to processing Tax Year 2020 returns received during the 2021 Filing Season, taxpayers' refunds could be delayed.

We asked IRS management on November 19, 2020, what risks they envisioned for the 2021 Filing Season, and they indicated they have not currently evaluated any specific risks to taxpayers. They are not furloughing any employees this year and plan to keep working on the outstanding inventories through the beginning of the 2021 Filing Season. The IRS also noted

¹⁸ Our estimate to complete processing is our best attempt to put a time frame on when the processing of Tax Year 2019 tax returns might be completed. However, the time frame for processing a tax return can be affected by many factors. For example, a return that does not contain any errors can be processed relatively quickly, but if a return contains errors and must be reviewed by a tax examiner, this time frame is lengthened.

that it is required to hold taxpayer refunds claiming certain tax credits until February 15, which provides an additional opportunity to get the backlog resolved prior to the new tax year needing to be worked.

Interest payments were issued to taxpayers whose Tax Year 2019 returns were processed subsequent to April 15

As previously noted, the Department of the Treasury extended the Federal income tax filing due date from April 15, 2020, to July 15, 2020, after the President issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988¹⁹ in response to the ongoing COVID-19 pandemic. The IRS is required by law to pay interest on tax refunds due to individual taxpayers affected by the Federally declared disaster who filed their tax returns for Tax Year 2019 on or before the postponed due date of July 15, 2020. The overpayment interest will generally accrue from the original April 15 due date, rather than the postponed due date of July 15, to the date of the refund.

To compute and issue these additional interest payments, the IRS implemented a computer program in late July 2020. This program analyzed tax returns that were timely filed, *i.e.*, on or before the extended due date of July 15, 2020, and that had their refund issued after the normal tax return due date of April 15, 2020. Interest payments were then issued in the same manner as the taxpayer's original refund, *i.e.*, paper check or direct deposit. We analyzed tax returns processed with refunds after April 15, 2020, that were received by July 15, 2020, and determined that the IRS issued this interest where applicable as long as the interest due was greater than \$1.00.

Tax returns that had been received by July 15, 2020, and were processed after this computer program was run in late July received the amount of interest due at the same time as their main tax refund. We also confirmed these interest payments were on the tax accounts when applicable. In total, our analysis identified approximately 22.6 million taxpayers received more than \$589 million in interest as of October 22, 2020.

Error Resolution, Rejects, and Unpostables case inventories remain high

As previously noted, when Tax Processing Centers were closed, taxpayers still had the ability to e-file their tax returns. However, similar to paper tax returns, e-filed tax returns identified with errors are sent to the IRS's Error Resolution function for tax examiner review. When a tax return is identified with an error condition, the IRS suspends the tax return from processing and sends the tax return to a tax examiner to address the error. The IRS's Error Resolution function is responsible for correcting these error conditions. Once corrected, the tax return will continue to be processed. In addition, processing of the tax returns can also be delayed if the return is in the Rejects or Unpostables inventories. For example:

- Returns sent to Rejects inventory include returns which cannot be processed, usually due to missing or incomplete information. For example, when additional clarification is needed for an entry on the tax return, the Rejects unit tax examiners correspond with the taxpayer for additional information. When the taxpayer responds, the tax examiner will resolve the issue and the return will continue processing.

¹⁹ Pub. L. No. 100-707.

- Transactions sent to Unpostables inventory include returns that will not post to the taxpayer's account because they failed validity checks. For example, if the name and Taxpayer Identification Number on a tax return do not match information in IRS records for that taxpayer, the tax return transaction could go unpostable. The unpostable condition must be resolved to complete processing of the tax return.

Although the majority of the work in the previously mentioned inventories was unable to be performed while the Tax Processing Centers were closed, the IRS was able to work some e-filed cases identified as needing correction by an Error Resolution function employee. These cases could be resolved based on information provided with the return submission and did not require corresponding with the taxpayer. However, the IRS was unable to work the Rejects and Unpostables inventories during that time, causing current inventories to be much higher than normal.

Further impeding the IRS's ability to work returns in these inventories, correspondence could not be printed and sent for those cases that required corresponding with a taxpayer. In response to the pandemic, as of April 8, 2020, the IRS closed both of its sites that print and mail these notices. These operations were resumed on June 15, 2020, at a limited capacity. At the time Tax Processing Centers were closed and as of November 13, 2020, the IRS had the following number of tax returns in its inventory:

- **Error Resolution** – 761,303 individual tax returns in its Error Resolution inventory to be worked as of April 3, 2020. As of November 13, 2020, the IRS reported 601,917 cases in the Error Resolution inventory. In addition, we estimated an additional 1.7 million potential receipts through the end of the calendar year by averaging the receipts of the previous two weeks shown on the IRS report and taking this figure times the remaining number of weeks in the year. As such, we estimated the IRS would be unable to resolve these cases until approximately January 22, 2021. As of January 29, 2021, the IRS reports 75,007 cases are still in the Error Resolution inventory.
- **Rejects** – 941,559 individual tax returns in its Rejects inventory to be worked as of April 3, 2020. The IRS reported that, as of November 13, 2020, a total of 1,681,994 cases remained to be worked in Rejects inventory. Using the same method as previously described of estimating additional receipts in the Rejects inventory, we estimate the IRS will be unable to resolve these cases until approximately September 3, 2021. The IRS was not previously focused on working this inventory but has recently moved resources to work down this inventory. As of January 29, 2021, the IRS reports 1,584,722 cases are still in the Rejects inventory.
- **Unpostables** – 334,011 individual tax returns in its Unpostables inventory to be worked as of April 3, 2020. The IRS reported that, as of November 13, 2020, a total of 1,195,850 cases remained to be worked in Unpostables inventory. Using the same method as previously described of estimating additional receipts in Unpostables inventory, we estimated the IRS would be unable to resolve these cases until approximately March 5, 2021. As of January 29, 2021, the IRS reports 1,467,915 cases are still in the Unpostables inventory.

As previously noted, due to the length of time to work through these inventories, the IRS will be unable to complete processing of some Tax Year 2019 tax returns before taxpayers file their Tax Year 2020 tax return. This could potentially prevent taxpayers from having the necessary

information to file their Tax Year 2020 tax return and could cause delays in refunds. As mentioned earlier, we asked IRS management on November 19, 2020, what risks these backlogs might cause for the 2021 Filing Season, and they indicated they have not currently evaluated any specific risks to taxpayers. We will continue to monitor and report the potential effect on taxpayers. The ability to resolve these backlogs could be affected by the need to divert resources to issue additional EIPs or an unforeseen closure of IRS Tax Processing Centers due to the ongoing pandemic.

Detecting and Preventing Tax Refund Fraud

Similar to other functional areas involved with the processing of tax returns, significant backlogs of potentially fraudulent returns identified as well as returns identified with questionable refundable credit claims accumulated during the pandemic. The IRS's Return Integrity and Compliance Services function is responsible for addressing returns identified as involving potential identity theft. Once identified, these returns are held during processing until the IRS can verify the taxpayer's identity. If the IRS cannot confirm the individual's identity, the IRS removes the tax return from processing to prevent the issuance of a fraudulent refund. For other types of potentially fraudulent tax returns identified, *i.e.*, non-identity theft, the IRS suspends these tax returns to provide additional time to receive third-party income documents, *e.g.*, Form W-2, *Wage and Tax Statement*. The suspended tax returns are held until either the IRS receives third-party documents and the income and withholding is verified or the tax returns are sent to the Return Integrity and Compliance Services function for screening and verification.

The Return Integrity and Compliance Services function also conducts examinations of tax returns with questionable refundable credit claims. For those returns selected for examination, the IRS corresponds with taxpayers to request additional documentation to support their refundable credit claim. When the majority of IRS operations were suspended, Return Integrity and Compliance Services management noted that, although their employees could work cases remotely, external factors prevented this work from being performed. These factors included:

- ***Some employees were unable to telework*** – As of September 30, 2020, Return Integrity and Compliance Services still had 74 (3.7 percent) of their 1,986 employees on weather and safety leave. There were 23 of the 74 employees who did not have access to high-speed Internet, and the remaining 51 employees are responsible for doing work that is not able to be taken out of the office environment. As of October 31, 2020, Return Integrity and Compliance Services still had approximately 4 percent of its employees on weather and safety leave.
- ***The inability to print and mail required correspondence due to Correspondence Production Services site closures*** – IRS management noted that, even if the required correspondence could be printed and mailed, responses from taxpayers are sent to the IRS and require staff to be physically present in the office to receive, update, and distribute the taxpayer responses to employees assigned to work the cases.
- ***Refundable credit claims are prerefund examinations*** – No compliance actions could be taken until July 15, 2020. On March 25, 2020, the IRS unveiled a new *People First Initiative*, which included a sweeping series of steps to assist taxpayers by providing relief

on a variety of issues ranging from adjusting or suspending key IRS compliance programs to easing payment guidelines. This relief was through July 15, 2020.

Figure 9 provides the Return Integrity and Compliance Services inventory to be worked at the time Tax Processing Centers closed as well as the inventory remaining as of the week ending November 14, 2020.

**Figure 9: Return Integrity and Compliance Services
Function Inventory as of the Week Ending November 14, 2020**

Inventory Return Type	Week Ending April 11, 2020	Week Ending November 14, 2020
Examination – The IRS selected these returns for examination. These returns primarily involve a questionable refundable tax credit.	247,319	254,563
Identity Theft – Taxpayers have been asked to verify their identity.	625,267	1,029,428
Non-identity Theft – The IRS has selected these returns for treatment.	331,736	49,021

Source: IRS management reports.

In our discussions with management related to the case inventories in Figure 9, they provided perspective on whether these reflect normal levels or if they include backlogs associated with the pandemic. For example:

- Examination inventory – IRS management stated on October 28, 2020, that this inventory does not indicate a backlog due to the pandemic but is normal working inventory level. The IRS monitors responses made on these open cases, and there were some responses that the IRS could not work during the pandemic. Therefore, in order to control its inventory levels, the Examination group did not open any new cases between March and August 2020, which allowed it to concentrate on working responses. As of November 30, 2020, the IRS was working approximately 36,000 responses, which was down from the more than 70,000 responses in July 2020 after it reopened.
- Identity theft inventory – IRS management indicated that during the shutdown this inventory increased considerably because the IRS was unable to issue notices. The only backlogs that they have experienced is from paper correspondence that accumulated from taxpayers who sent in written responses before the pandemic or opted to send in a response during the shutdown even though other response channels were provided. IRS management does not expect responses from most of these potential identity theft cases and will classify these cases as identity theft at some point in the future. They are intentionally extending the period of time to archive these cases as confirmed identity theft in order to allow more time for the real taxpayer to respond.
- Non-identity theft – The IRS selects tax returns all year for treatment based on its various filters but can control the number of cases it starts based on resources available to work cases identified. This year, the IRS identified more returns than it had the resources to treat. As a result, the IRS released approximately 77,000 returns with \$268 million in refunds in October and November 2020 in order to have the resources to prioritize more egregious returns, such as identity theft and prisoner returns.

Fraudulent tax returns and refunds identified and stopped

As of September 26, 2020, the IRS reported that it identified 451,674 tax returns with more than \$2.8 billion claimed in fraudulent refunds and prevented the issuance of more than \$2.7 billion on 448,301 (99.3 percent) of those refund returns. Although this represents a slight decrease of 3.8 percent over the number of tax returns identified during the same period during the 2019 Filing Season, the IRS identified as fraudulent a larger percentage of tax returns this year than last year. For example, 99.3 percent of the tax returns identified were found to be fraudulent compared to only 97.2 percent last year. In addition, the IRS stopped more than \$2.7 billion in fraudulent refunds during both Processing Years 2019 and 2020. Figure 10 shows the number of fraudulent tax returns the IRS identified for Processing Years 2019 and 2020 as well as the refund amounts that were stopped.

Figure 10: Fraudulent Tax Returns and Refunds Identified and Stopped in Processing Years 2019 and 2020 (as of September 26, 2020)

Processing Year	Number of Fraudulent Refund Returns Identified	Number of Fraudulent Refund Returns Stopped	Amount of Fraudulent Refunds Identified	Amount of Fraudulent Refunds Stopped
2019	469,540	456,435	\$2,842,415,045	\$2,774,903,163
2020	451,674	448,301	\$2,816,994,513	\$2,775,342,055

Source: IRS fraudulent tax return statistics for Processing Year 2019 (as of September 28, 2019) and Processing Year 2020 (as of September 26, 2020).

Prevention of fraudulent tax returns from entering the tax processing system

The IRS continues to increase the number of fraudulent tax returns detected and stopped from entering the tax processing system, *i.e.*, rejecting e-filed tax returns and preventing paper tax returns from posting. For example, as of September 24, 2020, the IRS had locked the tax accounts of 43.8 million deceased individuals. This compares to 41.2 million accounts locked as of September 26, 2019. 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 September 30, 2020, it had rejected 110,075 fraudulent e-filed tax returns, and it had stopped 3,160 paper tax returns from posting to the Master File.

Detection of tax returns involving identity theft and fraud

For the 2020 Filing Season, the IRS is using 196 filters to identify potential identity theft tax returns and prevent the issuance of fraudulent tax refunds. In comparison, for the 2019 Filing Season, the IRS used 193 filters. 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 taxpayer's identity cannot be confirmed, the IRS removes the tax return from processing in an effort to prevent the issuance of a fraudulent refund.

As of September 30, 2020, the IRS reported that it identified 6.2 million tax returns with refunds totaling approximately \$27.6 billion for additional review as a result of identity theft and fraud

filters. As of September 30, 2020, the IRS had confirmed 44,411 fraudulent tax returns and prevented the issuance of \$508.8 million in fraudulent tax refunds. This represents a significant decrease of 73 percent when compared to the 163,803 returns confirmed as identity theft the prior year. IRS management stated that the decrease is partially attributable to the delay in issuing notices to taxpayers and those taxpayers have not yet taken action to respond to the notices. In addition, the IRS extended the response time to allow “good” taxpayers to respond and authenticate their identity. Figure 11 shows the number of identity theft tax returns the IRS identified and confirmed as fraudulent in Processing Years 2019 and 2020.

Figure 11: Identity Theft Tax Returns Confirmed Fraudulent in Processing Years 2019 and 2020 (as of September 30, 2020)

Processing Year	Number of Identity Theft Returns
2019	163,803
2020	44,411

Source: IRS fraudulent tax return statistics for Processing Years 2019 and 2020 (as of September 30, 2020).

Screening of prisoner tax returns

To combat refund fraud associated with tax returns filed using prisoner Social Security Numbers, 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 Social Security Number. As of September 26, 2020, the IRS reported that it identified for screening 45,147 potentially fraudulent tax returns filed by prisoners.²⁰ This represents a 2.1 percent decrease over the number of tax returns identified during the same period during the 2019 Filing Season. Figure 12 shows the number of prisoner tax returns identified for screening in Processing Years 2019 and 2020.

Figure 12: Prisoner Tax Returns Identified for Screening in Processing Years 2019 and 2020 (as of September 26, 2020)

Processing Year	Number of Prisoner Tax Returns Identified for Screening
2019	46,104
2020	45,147

Source: IRS fraudulent tax return statistics for Processing Year 2019 (as of September 28, 2019) and Processing Year 2020 (as of September 26, 2020).

²⁰ Tax returns filed using a prisoner’s name and Social Security Number.

We have a separate ongoing review to evaluate the effectiveness of IRS processes to identify and reduce prisoner fraud.²¹

Providing Customer Service

The IRS provides 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. As previously mentioned, between March 20, 2020, and April 6, 2020, the IRS closed its offices nationwide, resulting in most customer service assistance options for taxpayers being unavailable. These actions directly contributed to the IRS's ability to provide quality customer service. For example:

- **Toll-Free Lines** – There were 87 toll-free telephone lines in operation prior to March 19, 2020, that taxpayers used to contact the IRS. As of March 31, 2020, the IRS reports that it stopped answering 81 (93 percent)²² of the 87 toll-free lines that provide taxpayers assistance with tax law questions, requesting transcripts of tax accounts, and setting up appointments for face-to-face assistance. The IRS closed these lines because the employees answering these telephone lines were not telework-ready when the IRS locations were closed.
- **TACs** – TACs provide taxpayers face-to-face assistance with an IRS employee, by appointment. All 358 TACs were closed nationwide effective March 23, 2020. According to IRS management, TAC employees are not eligible for telework and do not have laptops to allow for remote work. As of March 23, 2020, 79,264 taxpayer appointments were cancelled.
- **Free Tax Return Preparation** – IRS Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs offer free tax help for taxpayers who qualify. While the IRS manages the programs, the sites are managed by IRS partners and staffed by their volunteers. The majority of the volunteer sites were closed throughout the pandemic. For example, as of the week ending May 24, 2020, 10,792 (98 percent) of the 11,014 Volunteer Income Tax Assistance/Tax Counseling for the Elderly sites remained closed.
- **Printing and Mailing Correspondence to Taxpayers** – The IRS prints and mails the majority of its correspondence from two centralized sites located in Detroit, Michigan, and Ogden, Utah. These operations are referred to as Correspondence Production Services. In response to the pandemic, the IRS closed both of these sites as of April 8, 2020. As of May 14, 2020, the IRS reported that there were more than 22.1 million items in the Correspondence Production Services queue to be printed and mailed. The closure of this operation also had a direct impact on the IRS's ability to work cases in its Error Resolution, Return Integrity and Compliance Services, and Accounts Management functions that required the issuance of a notice or letter to a taxpayer. As of June 15, 2020, both sites were reopened in a limited capacity. Once

²¹ TIGTA, Audit No. 202040005, *Prisoner Fraud Follow-Up*.

²² The remaining six toll-free lines that remained open include lines such as the tax fraud referral line that does not offer live assistance. In addition to the existing 87 toll-free lines, the IRS opened three new lines related to EIP questions and COVID-19 tax issues.

reopened, IRS management coordinated with all affected IRS functional areas to prioritize which notices should be mailed first when resuming operations and which notices are no longer necessary and could be purged (for example, monthly payment reminders on installment agreements for months that have already passed). The IRS cleared all of the backlogged correspondence by the week ending July 18, 2020.

We have a separate review assessing the impact of the COVID-19 pandemic on the IRS’s customer service operations as well as its efforts to resume these operations. We will also provide an evaluation of the IRS’s comprehensive customer service strategy developed as required by the Taxpayer First Act.

Online assistance

The IRS provides easy-to-use self-assistance options that enable taxpayers to access the information they need 24 hours a day, seven days a week. The most notable self-assistance option is the IRS’s public Internet site, IRS.gov. The IRS reported more than 1.5 billion visits to IRS.gov this filing season as of September 25, 2020. In comparison, the IRS reported 577.5 million visits to IRS.gov for the 2019 Filing Season as of September 27, 2019. The IRS website provides a number of online tools to assist taxpayers. Figure 13 provides examples of these online tools along with the number of times the tool was used as of September 30, 2020.

Figure 13: Examples of Online Tool Uses for the 2020 Filing Season (as of September 30, 2020)

Tool	Description	Number of Uses
<i>Interactive Tax Assistant</i>	A tax law resource that takes taxpayers through a series of questions and provides them with responses to basic tax law questions.	2.6 million
<i>Tax Withholding Estimator</i>	Designed to help workers target the refund they want by having the right amount of income tax taken out of their pay. It incorporates the changes from the redesigned Form W-4, <i>Employee’s Withholding Certificate</i> , which employees can fill out and provide to their employers.	4.8 million
<i>Where’s My Refund?</i>	Allows taxpayers to check the status of their refunds using the most up-to-date information available to the IRS.	500.1 million

Source: IRS management information reports for the Interactive Tax Assistant as of September 30, 2020, Tax Withholding Estimator completions as of September 30, 2020, and Where’s My Refund? tool as of September 25, 2020.

The IRS established a dedicated web page on IRS.gov (IRS.gov/coronavirus/economic-impact-payments) to assist taxpayers in obtaining information related to the IRS’s issuance of the EIPs. This web page provides updated information related to the issuance of the EIP, including a continually evolving list of Frequently Asked Questions. In addition, the IRS developed an online tool “Get My Payment” that provides taxpayers with the ability to check the status of their EIP and submit bank information for taxpayer accounts that are missing that information. As previously mentioned, the IRS also developed the “Non-Filers: Enter Payment Info Here” tool to assist taxpayers who are eligible to receive an EIP but do not have a Federal tax return filing requirement. As of September 30, 2020, the IRS reported more than 143 million visits to the Coronavirus web page, approximately 557 million uses of the “Get My Payment”

tool, and more than 6.8 million uses of the Non-Filer tool. The IRS has various other web pages related to the EIP, all of which have visits ranging from 136 million to 725 million visits.

Social media platforms

The IRS also offers taxpayers the ability to obtain information from the IRS using their mobile devices. For example, the IRS offers IRS2Go and uses various forms of social media, including YouTube, Twitter, Facebook, and Instagram. Figure 14 shows the total number of followers for each of these platforms along with the cumulative number of YouTube videos viewed as of September 30, 2020.

Figure 14: Number of Followers on Social Media Platforms (as of September 30, 2020)

Social Media Platforms	Number of Followers
IRS2Go	14,646,395
YouTube (Views)	4,536,789
Facebook	441,644
Twitter	336,552
Instagram	58,172

Source: IRS management information reports.

Toll-free telephone level of assistance

As of September 30, 2020, 78 (96.3 percent) of the 81 previously closed lines had reopened. Two of the three lines that remain closed were reopened by November 5, 2020. IRS management has no plans to reopen the remaining line as this line was inadvertently kept open for the Making Work Pay Credit, which was no longer available after Tax Year 2010.

As of September 25, 2020, taxpayers made approximately 126.5 million total attempts and 71.3 million net attempts²³ to contact the IRS by calling the various customer service toll-free telephone assistance lines. The IRS reports that nearly 30.8 million calls were answered with automation, and telephone assistors answered nearly 14.1 million calls and provided a 51.1 percent Level of Service with an 18-minute Average Speed of Answer. Figure 15 shows a comparison for Calendar Years 2019 and 2020.

²³ Total call attempts represent calls received during open and after hours. Total net call attempts represent calls received during open hours.

**Figure 15: Toll-Free Services Statistics
for Calendar Years 2019 and 2020
(as of September 25, 2020)**

Statistic	Filing Season	
	2019	2020
Assistor Calls Answered	17,369,000	14,092,000
Level of Service	64.1%	51.1%
Average Speed of Answer (Minutes)	11	18
Level of Access ²⁴	53.1%	48.5%

Source: IRS management information reports (as of September 27, 2019, for Calendar Year 2019 and as of September 25, 2020, for Calendar Year 2020).

The IRS plans to continue to allow toll-free employees to telework during Fiscal Year 2021. In addition, IRS management increased their Fiscal Year 2021 hiring goal for the Accounts Management function from 3,579 new employees to 5,000 new employees – 4,000 of whom would be trained to answer toll-free telephone calls. These additional employees are needed in order to meet the IRS’s Level of Service goals and reduce the time taxpayers wait to speak to an assistor. However, IRS management noted that they may be unable to expand the number of employees answering taxpayer calls if they cannot meet their hiring goal. As of November 23, 2020, the IRS planned to hire approximately 3,100 new employees to answer the toll-free calls. IRS management stated that the decrease in planned staffing is due to a lack of anticipated applicants and delays in fingerprinting and processing applicants. As of January 19, 2021, the IRS had hired 2,935 new employees to answer toll-free calls.

Toll-free line and congressional inquiry e-mail created to assist taxpayers with EIP-related issues

Recognizing that the EIPs would affect a large majority of taxpayers and the challenges taxpayers faced as a result of the pandemic, the IRS created a new toll-free EIP line on May 18, 2020. The IRS does not take direct EIP calls from the public. Instead, all calls start with an automated message and, if needed, are directed to a contractor. On May 13, 2020, the IRS awarded a vendor contract to provide assistance with the anticipated demand of EIP telephone inquiries. The contract requires vendor-hired telephone assistors to screen EIP calls and answer general questions from an IRS script. If the taxpayer’s inquiry requires account research, the call must then be transferred to an IRS assistor.

On May 18, 2020, the IRS announced that an addition of up to 3,500 vendor telephone assistors could be added to answer some of the most common EIP questions. However, the contractor experienced staffing delays, outages, and technical difficulties that affected the quality of calls and the number of dropped calls. For example:

- Staffing Delays – The contractor was required to have 500 work-ready agents available on May 15, 2020. However, IRS management stated that the contractor did not meet these staffing requirements until June 5, 2020. IRS management stated that the

²⁴ The Level of Access is computed by taking the sum of Assistor Calls Answered and Automated Calls Answered divided by the Total Dialed Number Attempts Open Hours.

requirement to have 500 agents available in a very short period of time contributed to the reason for the delays in the contractor meeting this requirement. In addition, the contractor was required to have 90 bilingual assistors by May 18, 2020, but did not provide sufficient bilingual assistors until June 25, 2020.

- Technical Difficulties – The contractor experienced outages and technical difficulties, which caused poor call quality or prevented taxpayers from reaching an assistor. For example, on June 10, 2020, the contractor was initially notified of audio quality issues. While limiting call volumes partially alleviated the issue, capacity limitations required installation of additional hardware, and the problems were not fully corrected until June 16, 2020. According to IRS management, the poor call quality was a sporadic issue that occurred when the number of calls exceeded the contractor’s capacity. In addition, the contractor did not have the capacity to handle the total number of calls received on the EIP line until July 9, 2020.

According to IRS reports, as of November 28, 2020, the EIP telephone line received nearly 24.6 million calls. All incoming calls initially receive an automated informational message. Of the total calls received, 13.6 million (55.3 percent) were abandoned by the taxpayer before moving into the contractor assistor’s queue,²⁵ either because the caller’s issue was satisfied by the information provided by the automated messages or because the taxpayer grew frustrated and hung up. Of the nearly 24.6 million calls received, 11 million (44.7 percent) were added to the contractor’s queue, of which:

- 4.8 million calls were answered by the contractor’s assistors without any IRS assistance.
- 3.8 million calls were abandoned or disconnected after being added to the contractor’s queue.
- 2.4 million calls were transferred to and answered by the IRS.

The pandemic also caused an unexpected increase of congressional inquiries related to the EIPs. On May 14, 2020, while some telephones and other options were shut down, the IRS set up a mailbox to receive inquiries from congressional staffers regarding the EIPs. Many of these inquiries required taxpayer account research, which resulted in the IRS training up to an additional 500 Accounts Management employees in July 2020 to help resolve these type of cases. IRS management stated that, as of November 27, 2020, the IRS had received an estimated 127,050 inquires, of which 93,580 required account research, and closed an estimated 78,900 (84 percent). The IRS initially planned to discontinue the EIP mailbox for congressional inquiries on December 10, 2020. However, the IRS continued to monitor the mailbox and, as a result of additional stimulus payments, the IRS now plans to leave the mailbox open.

TAC assistance

The IRS planned to assist approximately 2.3 million taxpayers at its TACs in Fiscal Year 2020, an approximately 4.2 percent decrease from Fiscal Year 2019. The IRS reports that, when the TACs closed on March 20, 2020, IRS employees had answered more than one million calls to schedule an appointment. Of these, 581,911 necessitated the taxpayer visit a TAC. The

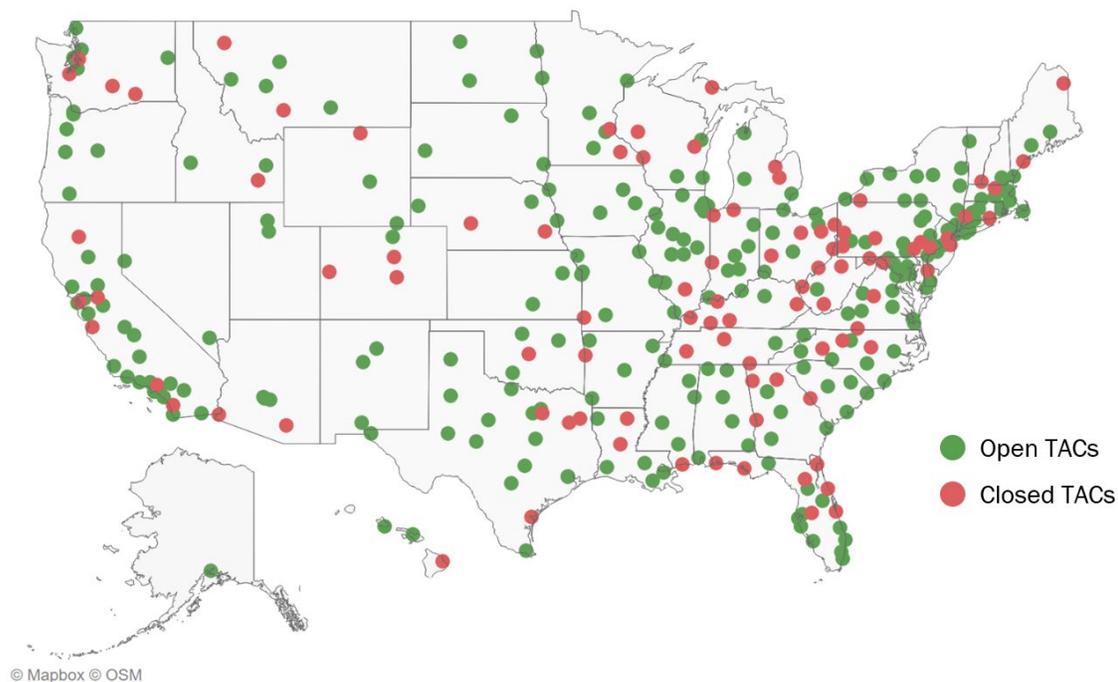
²⁵ The contractor assistor’s queue is the waiting line to reach a contractor assistor.

remaining 498,590 callers were assisted without having to visit a TAC, and an additional 79,106 taxpayers were assisted who did not have an appointment but visited a TAC.

As of September 30, 2020, the IRS had reopened 237 (66 percent) of the 358 TACs, which are available to the public by appointment only. An additional 26 TACs had reopened as of November 16, 2020. When we asked IRS management why 95 TACs are still closed, they stated that they are still dependent on employees reporting to these locations and not being out due to COVID-19 exposures, *etc.*

As of September 30, 2020, the IRS reported that IRS employees answered 1,361,035 calls to schedule an appointment. Of these, 694,059 taxpayers were assisted without having to visit a TAC, while 666,976 necessitated scheduling an appointment and visiting a TAC. When a TAC is closed, taxpayers would have to try to resolve their questions from the information on the IRS website or potentially have to contact a tax preparer for assistance. Figure 16 shows a map of the TACs that remain open and closed as of November 16, 2020.

Figure 16: Open and Closed TACs as of November 16, 2020



Source: TIGTA's analysis of the IRS's Field Assistance function's open/closed TAC list as of November 16, 2020.

In addition to the services offered via the TAC appointment line and at TACs themselves, the IRS also offers these additional face-to-face initiatives:

- *Virtual Service Delivery* – This initiative is an effort to expand face-to-face services to taxpayers when a TAC is not in their geographic area. Taxpayers must make an appointment. Virtual Service Delivery 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. For the 2020 Filing Season, the IRS offers Virtual Service Delivery at 30 community partner sites and assisted 143 taxpayers.

- *Co-Located Sites With the Social Security Administration* – For the 2020 Filing Season, the IRS has placed employees in six Social Security Administration locations. As of September 30, 2020,²⁶ the IRS reported that 774 taxpayers have used the service.

Services from the Virtual Service Delivery and the sites co-located with the Social Security Administration were also suspended during the COVID-19 pandemic. This resulted in the number of taxpayers being assisted as of September 30, 2020, decreasing to 917 from the 3,238 taxpayers assisted as of the same time frame the previous year (as of September 30, 2019).

The IRS had a pilot prior to the pandemic allowing a limited number of TAC employees to provide virtual assistance to taxpayers through a web-based software, but this went on hold when the TACs closed. IRS management indicated this pilot resumed testing on October 30, 2020, with a limited number of employees, and they hope to expand the pilot during the 2021 Filing Season.

Assistance at Volunteer Program sites is lower due to COVID-19 closures

The Volunteer Program plays an important role in the IRS's efforts to improve taxpayer service and facilitate participation in the tax system. It provides 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. Volunteer Program sites prepared more than 2.5 million tax returns as of September 30, 2020. The number of tax returns prepared in Fiscal Year 2020 is significantly lower than the previous year. For example, in Fiscal Year 2019, more than 3.5 million returns were prepared. This decrease results from the fact that many of the volunteer sites are closed due to COVID-19.

For example, as of April 1, 2020, the IRS website stated that, due to COVID-19, a number of Volunteer Income Tax Assistance sites and all Tax Counseling for the Elderly sites are closed for an undetermined period of time. However, on April 13, 2020, the IRS Commissioner approved using Low Income Tax Clinic locations to provide free tax return preparation services during the 2020 Filing Season. The IRS explained that Low Income Tax Clinics are not prohibited from providing free tax return preparation services; however, it has been a longstanding policy that these locations only prepare current year returns in limited circumstances. A total of 102 clinics prepared 3,020 returns as of June 2020. As of September 30, 2020, 171 Volunteer Income Tax Assistance sites had reopened to assist taxpayers.

The Accounts Management function continues to have a significant backlog of cases critical to taxpayers

The Accounts Management function is responsible for assisting taxpayers with questions about the tax laws, their account, and the status of their refunds and adjusting their tax accounts when necessary. At the time Tax Processing Centers were closed, the IRS reported that more than 2.6 million cases remained in total Accounts Management inventory to be worked, and as of November 14, 2020, total inventory remained at more than 3.6 million cases. At the request of IRS management, we calculated our estimated inventory completion based on the more than 1.4 million cases in the adjustments portion of the Accounts Management inventory and used an estimated figure of 2.2 million cases for potential receipts. This revision resulted in the IRS

²⁶ For Fiscal Year 2020 – October 1, 2019, through September 30, 2020.

being unable to resolve this inventory until April 24, 2021. Even with this extension, IRS management cautioned that completion of the inventory was contingent upon the potential for additional EIPs and inventory due to the 2021 Filing Season. As of January 30, 2021, the IRS reported 2,011,458 cases were still in the Accounts Management adjustments inventory.

Although the majority of cases worked by Accounts Management are electronic and portable, there are two factors that affect the IRS's ability to address the type of cases worked.

- **Ability to scan correspondence into the Correspondence Imaging System** – Correspondence from taxpayers that needs to be worked by Accounts Management is received and scanned at IRS Tax Processing Centers to enable employees working in remote locations to work the cases. Because employees responsible for scanning this correspondence were unable to work in the Tax Processing Centers during the closures and the number of employees that have returned since reopening of the sites is less than normal, there was a direct impact on scanning inventory into the Correspondence Imaging System for Accounts Management employees to work.
- **Extensiveness of the process to make employees telework-ready** – To make employees telework-ready, the IRS had to obtain the necessary equipment and encouraged employees to complete the necessary training and sign telework agreements with their managers. Throughout the closure, IRS management continued to increase the number of telework-ready employees in order to remotely work the Accounts Management inventory. For example, at the time of closure, a telework pilot included only 237 employees. As of September 26, 2020, Accounts Management had 13,732 (94 percent) of its staff who handle inventory reporting to work and 1,078 employees remaining on weather and safety leave.

IRS management stated that they will continue to offer overtime and plan to increase Fiscal Year 2021 staffing. In addition, the IRS plans to continue allowing telework into the 2021 Filing Season and is looking into ways to expand telework opportunities to transition the majority of its workforce to telework and to make certain types of work portable.

Appendix I

Detailed Objective, Scope, and Methodology

Our overall objective was to evaluate whether the IRS timely and accurately processed individual paper and e-filed tax returns during the 2020 Filing Season. To accomplish our objective, we:

- Monitored online news outlets and forums to identify any preparation, filing, or processing issues that taxpayers are experiencing.
- Identified volumes of paper and e-filed tax returns received through November 13, 2020, from the IRS Weekly Filing Season reports to provide filing season statistics.
- 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 interest was correctly paid on tax refunds due to individual taxpayers affected by the Federally declared disaster who filed their tax returns for Tax Year 2019 on or before the postponed due date of July 15, 2020.
- 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.
- Monitored the Accounts Management function's over-aged inventory.

Performance of This Review

This review was performed with information obtained from the Wage and Investment Division Headquarters in Atlanta, Georgia; the Wage and Investment Division Submission Processing function offices in Cincinnati, Ohio; and the Information Technology organization in Lanham, Maryland, during the period November 2019 through December 2020. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major contributors to the report were Russell P. Martin, Assistant Inspector General for Audit (Returns Processing and Account Services); Deann L. Baiza, Director; Sharla J. Robinson, Audit Manager; Sandra L. Hinton, Lead Auditor; Karen C. Fulte, Senior Auditor; Briane Hamaoka, Senior Auditor; Tracy M. Hernandez, Senior Auditor; Branden L. Dreher, Auditor; Donald Meyer,

Information Technology Specialist; and Laura Haws, Information Technology Specialist (Applied Research and Technology).

Validity and Reliability of Data From Computer-Based Systems

We used data extracts from the Individual Master File and the Individual Returns Transaction File for Processing Year 2020. Prior to audit testing, we reviewed the data extracts to ensure that the extracted data were valid and reliable and contained the information needed for audit testing. We used judgmental samples to verify that the data contained in the extracts matched the information found in the Employee User Portal and Integrated Data Retrieval System databases. We determined that the data were sufficiently reliable for purposes of this report. Audit tests were performed with the extracted data to determine whether the IRS adequately paid interest on refunds with timely filed returns.

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 2020 Filing Season. We evaluated these controls by monitoring IRS weekly production meetings, reviewing IRS procedures, and reviewing IRS reports.

Appendix II

Management's Response to the Draft Report



COMMISSIONER
WAGE AND INVESTMENT DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
ATLANTA, GA 30308

March 8, 2021

MEMORANDUM FOR MICHAEL E MCKENNEY
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: Kenneth C. Corbin  Digitally signed by Kenneth C. Corbin
Date: 2021.03.08 14:05:22 -05'00'
Commissioner, Wage and Investment Division

SUBJECT: Draft Audit Report – Results of the 2020 Filing Season and Effects of the Coronavirus Pandemic on Tax Processing Operations (Audit # 202040513)

Thank you for the opportunity to review and provide comments on the subject draft report. Each filing season, the Internal Revenue Service is dedicated to its mission of helping taxpayers understand and meet their tax responsibilities. As part of the 2020 filing season, the IRS successfully addressed many unique challenges, including those attributable to the Coronavirus Disease 2019 (COVID-19) pandemic and the resulting longest filing season on record.

In 2020, the IRS found itself in uncharted waters, as did the entire nation. The COVID-19 pandemic presented some of the greatest challenges to the IRS in its history, both in terms of being able to carry out our mission and in protecting the health and safety of taxpayers and our own workforce. The IRS' top priority during the COVID-19 outbreak was, and continues to be, protecting the health and safety of taxpayers and the IRS workforce. For that reason, we temporarily scaled back operations, taking such steps as closing our Submission Processing Centers and Taxpayer Assistance Centers, discontinuing face-to-face operations and suspending our telephone help lines.

Coinciding with the closing of our facilities, and as the worldwide effects of the pandemic worsened, the Coronavirus Aid, Relief, and Economic Security (CARES) Act¹ was enacted on March 27, 2020, to provide economic assistance and relief to individuals and businesses. A major relief provision of the CARES Act was the authorization of the Recovery Rebate Credit for tax year 2020, with advance payment on the credit to be issued immediately. On April 10, 2020, within two weeks of enactment, the IRS began issuing the advance payments, known as Economic Impact Payments (EIPs). More than 81 million EIPs totaling over \$147 billion were disbursed on

¹ Pub. L. No. 116-127.

April 10, 2020. By May 22, 2020, almost 155 million payments, totaling more than \$262 billion, had been issued. By December 18, 2020, more than 168 million payments had been issued totaling \$280 billion.

As events unfolded in the spring of 2020, we continued to process electronic tax returns, issue direct deposit refunds and accept electronic payments. Of the electronic returns filed during calendar year 2020, more than 95 percent were error free and posted to accounts, with refunds issued timely. Over the summer, the IRS started reopening our operations when and where it was safe to do so. As our operations increased, the IRS's top priority continued to be the health and safety of taxpayers, our partners in the tax community, and our employees. We followed and, where possible, exceeded applicable safety guidelines and measures and will continue to do so going forward.

The temporary closures of the Submission Processing Centers impacted our ability to timely process incoming mail, which included paper tax returns, some payments, and correspondence. While the centers were closed, we evaluated processes that could be fully or partially supported by teleworking employees. Laptop computers were acquired and distributed to employees so that our campus accounting and pipeline operations could continue remotely, to the greatest extent possible.

Since reopening the centers, we have taken steps to address the accumulated receipts, including reallocating work among the centers and lockbox bank operations to maximize processing speed and efficiency. By mid-December 2020, the centers were caught up and current in opening and extracting mail receipts. As the inventory of work received in 2020, and still in process at the end of the year, works its way through the processing system, it is being worked on a first-in, first-out basis. As the report notes, there are critical Submission Processing processes that cannot be done remotely. Some of these processes are performed in high security areas, the perimeters of which could not be expanded, and social distancing standards impacted our ability to fully staff those areas. For the vast majority of the processes, however, we worked with other campus functions, whose employees are able to telework full-time, to expand into their workspace and restore our workforce to the greatest extent possible. When the evacuation orders were lifted, all Submission Processing employees were notified to return to work no later than February 1, 2021. As of February 24, 2021, all but about 1,000 of our approximately 11,000 employees have reported for duty. The remainder have opted to use their own accrued leave or have requested to be placed in a non-work status.

As we enter the 2021 filing season, still facing the challenges of administering the tax system amidst the continuing global threat of the COVID-19 pandemic, we are continuing to innovate our processes in ways that will facilitate the delivery of the high-quality services taxpayers deserve and expect. We are seeking the authority to hire additional staffing to compensate for those employees who have not returned to work

and to increase staffing to alleviate bottlenecks as prior-year and current-year work continues through the processing system. We are hopeful that the benefits of electronic filing have been reinforced with the public and that the experience of 2020 encourages traditional paper return filers to convert to electronic filing. To that end, we continue to strongly promote the Free File and Volunteer Income Tax Assistance programs in our filing season messaging. We recently sent over 2.5 million informational postcards to paper return filers that would qualify for participation in either program, encouraging them to take advantage of the services provided.

We are extremely proud of the dedicated IRS employees who provided extraordinary service to our country during the unprecedented pandemic, at a time when they shared the same health and safety concerns as every other American. We stand ready to deliver a successful filing season in 2021 and to provide other assistance that we may be called upon to do.

If you have any questions, please contact me, or a member of your staff may contact Dietra Grant, Director, Customer Account Services, Wage and Investment Division, at (470) 639-3504.

Appendix III

Glossary of Terms

Term	Definition
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.
Filing Season	The period from January 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	A free Federal tax preparation and e-filing program for eligible taxpayers developed through a partnership between the IRS and Free File Alliance LLC. The Alliance is a group of private sector tax software companies.
Individual Master File	The IRS database that maintains transactions or records of individual tax accounts.
Individual Returns Transaction File	A database the IRS maintains that contains information on the individual tax returns it receives.
Integrated Data Retrieval System	IRS computer system capable of retrieving or updating stored information. It works in conjunction with a taxpayer's account records.
Level of Access	A telephone performance measure recommended by TIGTA that reflects overall taxpayer call demand and IRS assistance by taking the sum of all assistor and automated calls answered divided by the total number of call attempts made during open hours.
Level of Service	The primary measure of service to taxpayers. It is the relative success rate of taxpayers who call for live assistance on the IRS's 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.
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 tax return or document is processed by the IRS.
Social Distancing	Limiting close contact with other people who are not from your household and maintaining a physical distance of at least six feet to reduce the spread of COVID-19.

Results of the 2020 Filing Season and Effects of COVID-19 on Tax Processing Operations

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	An IRS office with employees who answer questions, provide assistance, and resolve account-related issues for taxpayers face to face.
Volunteer Program	Includes the Volunteer Income Tax Assistance Program, including the Volunteer Income Tax Assistance Grant 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, rural persons, those with limited English proficiency, and Native Americans.
Weather and Safety Leave	May be permitted when weather or other safety-related conditions prevent employees from safely traveling or safely performing work at an approved location, such as the official duty station or telework location.

Appendix IV

Abbreviations

CARES Act	Coronavirus Aid, Relief, and Economic Security Act
COVID-19	Coronavirus Disease 2019
e-file(d); e-filing	Electronically File(d); Electronic Filing
EIP	Economic Impact Payments
IRS	Internal Revenue Service
TAC	Taxpayer Assistance Center
TIGTA	Treasury Inspector General for Tax Administration



**To report fraud, waste, or abuse,
call our toll-free hotline at:**

(800) 366-4484

By Web:

www.treasury.gov/tigta/

Or Write:

Treasury Inspector General for Tax Administration

P.O. Box 589

Ben Franklin Station

Washington, D.C. 20044-0589

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