



Research, Applied Analytics & Statistics

STATISTICS OF INCOME

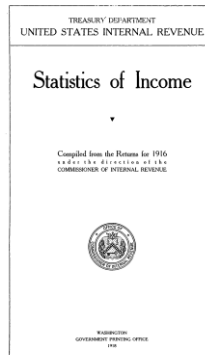
Barry Johnson, Director

Barry.W.Johnson@irs.gov



SOI History and Mission

The Revenue Act of 1916 requires the Secretary of the Treasury to publish statistics on the operations of the tax system, at least annually (Internal Revenue Code Section 6108(a))



Statistics of Income Mission

Formulate and execute the statistical policies, practices, and programs of the Internal Revenue Service. Collect, analyze, safeguard, and disseminate information on Federal taxation in support of tax administration, economic policy development, and financial analysis. Serve a broad range of users in the IRS, the Federal government, the public, and the nonprofit sectors. Provide statistical support within the Service for a broad range of program evaluation and measurement analytics. Lead efforts to modernize federal statistical programs and practices through engagement with the federal statistical community.



Statistics of Income

Data Collection

Unlike agencies that collect data through censuses and surveys, SOI collects its data from the administrative records associated with IRS processing of tax and information returns

Most statistics are based on stratified statistical samples

Data collected from almost 250 forms and schedules

SOI uses data captured during IRS administrative processing to form the core of its products

SOI adds value by:

- Collecting additional information from forms, schedules, and attachments
- Coding data items to make them statistically useful
- Reorganizing information to add consistency
- Performing rigorous quality checks to improve accuracy and reliability



Statistics of Income

SOI Budget, FY2015-2020

	2015	2016	2017*	2018	2019	2020
Total Labor Budget	36,137,326	35,563,460	36,888,770	38,118,869	36,827,180	35,874,486
Actual NHQ	19,227,222	18,483,361	21,012,513	21,856,359	21,360,180	22,296,243
Allocated	18,475,695	17,636,525	20,133,670	20,902,811	20,390,329	21,124,449
Reimbursable	751,527	846,836	878,843	953,548	969,851	1,171,794
Field	16,910,104	17,080,099	15,876,257	16,262,510	15,467,000	13,578,243
Total Non-Labor Budget	1,430,736	1,324,863	1,481,835	1,364,054	1,883,750	2,348,510
Allocated	471,736	367,863	522,235	433,268	919,840	1,152,510
Reimbursable	959,000	957,000	959,600	930,786	963,910	1,196,000
On - Rolls (SOI)	127	126	138	140	139	143

*Increase in number of on-rolls in FY2017 is the result of official transfer of select Field employees to NHQ.



FY2021 Budget Preview

Preliminary Labor Numbers:

- SOI/Headquarters --\$22,466,396
 - SOI/Field --\$14,953,039
 - Total--\$37,419,435
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- Reduced labor dollars and a continuing hiring freeze are anticipated
 - Underfunding limits ability to difficult provide temporary or permanent promotional opportunities.
 - Field operations disruptions due to COVID-19 and continuing real estate consolidation will impact deliverables.
 - Continuing travel limits are expected in FY21.
 - Will leverage more virtual to keep workforce engaged.



COVID-19 Impacts

- IRS In Office Operations Paused in early March and are resuming during June.
- SOI field operations were transitioned to telework environment for a reduced number of employees.
- Allowed for completion of data collection for Tax Year 2018 1040 data.
- Supported business tax data deliveries to BEA.
- Resuming data collection for other SOI projects, but program completion deadlines will be impacted as will 2021 public releases.
- SOI Headquarters staff are all teleworking and so we are on target for major 2020 data releases.
- Building dataset to report on Economic Impact Payments.
- Developing data collection process for refundable tax credits that support businesses that provided sick leave or retained employees on pay roll.
- Hope to release IRS Data Book in early July with new tables and data.



SOI 5-Year Business Plan

- Updated 5-Year Business Plan in FY2019
- Plan focuses on four major areas:
 - **Products**
 - Web pages and publications
 - Integrating requirements of the Foundations for Evidence-Based Policymaking Act of 2018 and the Tax Cuts and Jobs Act of 2017
 - **Processing**
 - IT infrastructure and programming
 - Collaboration between subject-matter areas
 - **Human Capital**
 - Employee Development
 - **Data Security**
 - Taxpayer data in SOI internal IT systems
 - Public-use files, including synthetic data
 - Tiered access models



SOI 5-Year Business Plan

- 5-Year Business Plan is used to develop annual tactical plans
- Focus areas for FY20/21 include:
 - Leveraging collaborations with external researchers
 - Developing new products that reflect recent tax law changes (February release of 1040 statistics included first look at TCJA)
 - Facilitating customer feedback through online surveys and customer forums
 - Improve the efficiency of statistical data collection procedures
 - Improving the online experience for website users and redesigning SOI's flagship publication
 - Exploring more sophisticated disclosure avoidance techniques to supplement protections for complex datasets