



**Research, Applied Analytics & Statistics**

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## **STATISTICS OF INCOME**

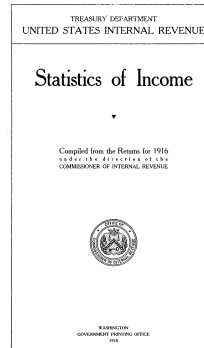
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## Statistics of Income

### 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, FY2016-2021

	2016	2017*	2018	2019	2020	2021
<b>Total Labor Budget</b>	35,563,460	36,888,770	38,118,869	36,827,180	35,874,486	40,033,171
Actual NHQ	18,483,361	21,012,513	21,856,359	21,360,180	22,296,243	25,080,132
Allocated	17,636,525	20,133,670	20,902,811	20,390,329	21,124,449	23,847,684
Reimbursable	846,836	878,843	953,548	969,851	1,171,794	1,236,448
Field	17,080,099	15,876,257	16,262,510	15,467,000	13,578,243	14,953,039
<b>Total Non-Labor Budget</b>	1,324,863	1,481,835	1,364,054	1,883,750	2,348,510	2,051,364
Allocated	367,863	522,235	433,268	919,840	1,152,510	984,364
Reimbursable	957,000	959,600	930,786	963,910	1,196,000	1,067,000
On - Rolls (SOI)	126	138	140	139	143	141

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



## FY2022 Budget Preview

### Preliminary Labor Numbers:

- SOI/Headquarters --\$25,714,705
  - SOI/Field --\$15,576,263
  - Total--\$41,290,968
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- Increased labor dollars should allow us to meet critical hiring needs.
  - Field operations disruptions due to COVID-19 and continuing real estate consolidation will impact deliverables.
  - For FY21 travel limits will continue with anticipated normal travel resuming in FY22.
  - Continue to leverage more virtual options to keep workforce engaged.



### COVID-19 Impacts

- Headquarters staff are all teleworking until OPM guidance changes
- IRS In Office Operations for clerical staff have resumed to almost pre-pandemic levels, while our data collection teams continue to operate in a telework environment.
- Field clerical teams have ramped up processing the large backlog of unprocessed 2019 paper returns that could not be processed due to local government orders that prevented staff from working in the processing centers in Ogden, Kansas City, Fresno and Austin.
- Will deliver business tax data with minimal delays in 2021
- Some program completion deadlines, including Form 1040 data, will be impacted for both 2021 and possibly 2022 releases.
- Released 2 sets of tables on Economic Impact Payments. Third set for 2021 payments is under development, and detailed geographic data will be released
- Will release IRS Data Book in early June – some data will show COVID impacts on IRS processes (extended filing season, Putting People First initiative, returns filed to claim EIPs, etc.)



## Other new products

- Synthetic data for low-income non-filers released
  - Produced in partnership with Urban Institute with financial support from foundations
  - Fully synthetic 1040 file and validation server under development
- Focus areas for FY21/22 include:
  - Developing Quarterly Employment Tax Filings data releases
    - Release in quarter following filing
  - Expanding Form 1040 geographic data:
    - Recently released State, County, ZIP Code, Congressional District, Metro/Micropolitan Area
    - Exploring Census Tract and fully geocoding files
  - TY2019 1040 release will include count of taxpayers who disclosed owning Cryptocurrency
  - Other data releases will reflect changes related to Tax Cuts and Jobs Act.