

INTRODUCTION

The IRS timely processed the original returns of most taxpayers who filed electronically without any errors. When the returns included direct deposit information, taxpayers received refunds promptly. However, for millions of taxpayers who had inconsistencies or errors in their returns or who filed paper returns, the 2022 filing season¹ was not much better than last year, and these taxpayers will be waiting for refunds for six months or longer. At the end of the 2022 filing season, the IRS and taxpayers still faced long delays in processing paper original returns, electronic returns with inconsistencies, and electronic- and paper-filed amended returns, as well as the backlog of correspondence the IRS still needed to address from 2021 plus the 2022 correspondence. The high level of backlog and the corresponding delays have strained the IRS, its employees, and most importantly, taxpayers.

As of April 22, 2022, the IRS had 2.3 million paper tax returns filed in 2021 that it still needed to process.² Because the IRS processes returns on a first-in, first-out basis, it will not begin processing the paper returns filed in 2022 until it processes the 2021 paper returns. In other words, any taxpayer who chose to file or who was required to file a paper return will not see his or her refund until the IRS catches up on its prior paper backlog. As of this writing, it is anticipated that the IRS will be caught up with the 2021 paper tax filings by the end of June 2022, at which point it will begin processing the paper returns filed beginning January 24, 2022.

Before we discuss the problems encountered in the 2022 filing season, I want to credit the IRS for doing a lot right under difficult circumstances. In fairness, each year the agency has multiple taxpayer service, information technology (IT), and enforcement priorities and limited resources to allocate among them. The extraordinarily high return processing and correspondence backlogs we have seen over the past two years did not exist before the pandemic. The pandemic forced the IRS to temporarily shut down its processing facilities for the health and safety of employees. That, in turn, caused the IRS to fall behind on its inventories. Over the last two years, IRS inventories snowballed into unprecedented delays and challenges, and the IRS is still struggling to catch up. Adding further complexity, during the pandemic, Congress directed the IRS to administer several financial relief programs that required the IRS to divert resources from its tax administration work, straining its resources even more. These challenges are a few of the reasons that taxpayers are waiting unusually long for their refunds. Although understandable, it is not acceptable for such unreasonable delays in taxpayers' refunds.

January 24, 2022 – Opening of the Filing Season

The IRS began accepting tax year 2021 returns for processing on January 24, 2022, and the filing season closed on April 18, 2022.³ The 2022 filing season was the first “normal” tax filing season since 2019, at least in the sense that the filing season period reverted to the traditional dates. However, normalcy is relative – the IRS and taxpayers are still dealing with significant challenges stemming from the COVID-19 pandemic culminating in delays and frustrations for millions of taxpayers.

FILING SEASON PERFORMANCE

Of the nearly 139 million individual returns that the IRS received in the 2022 filing season, 96 percent were filed electronically.⁴ Figure 1 presents an overview of returns processed and refunds issued during the past four filing seasons. Because the 2020 and 2021 filing seasons were such an aberration due to the impact of the pandemic, we will compare 2022 filing season data to 2019 filing season data, where available.

FIGURE 1, Comparing Filing Season Weeks Ending April 19, 2019; July 17, 2020; May 21, 2021; and April 22, 2022⁵

		2019	2020	2021	2022	Percent Change 2019-2022
Individual Income Tax Returns	Total Receipts	137,233,000	151,782,000	148,012,000	138,942,000	1.2%
	Total Processed	130,775,000	145,464,000	135,773,000	133,773,000	2.3%
E-Filing Receipts	Total e-Filing	126,264,000	143,379,000	138,563,000	133,410,000	5.7%
	Tax Professionals	70,476,000	73,806,000	74,195,000	70,509,000	0.0%
	Self-Prepared	55,788,000	69,573,000	64,368,000	62,900,000	12.7%
Total Refunds	Number	95,737,000	100,483,000	95,632,000	88,667,000	-7.4%
	Amount	\$260.9 bil	\$276.1 bil	\$270.3 bil	\$267.0 bil	2.3%
	Average Refund	\$2,725	\$2,748	\$2,827	\$3,012	10.5%
Direct Deposit Refunds	Number	83,249,900	83,384,000	87,045,000	83,891,000	0.8%
	Amount	\$238.4 bil	\$240.5 bil	\$252.4 bil	\$260.0 bil	9.1%
	Average Refund	\$2,863	\$2,884	\$2,899	\$3,099	8.2%
Web Usage	Visits to IRS.gov	421.5 mil	1,380.7 mil	1,372.7 mil	609.1 mil	44.5%

As Figure 1 shows, there was an increase of about one percent in the volume of individual income tax returns received this filing season when compared to the 2019 filing season. We attribute this increase in receipts in part to tax returns filed by taxpayers who typically have no filing requirement but who filed tax returns this filing season so they could receive their Economic Impact Payments (EIPs, or stimulus payments) and reconcile the Advance Child Tax Credit (AdvCTC) or receive the Child Tax Credit (CTC).

FIGURE 2, Cafeteria of an IRS facility in Austin

Photograph of the cafeteria of an IRS facility in Austin. Courtesy of the Department of the Treasury.

Puerto Rico: Included in the total number of e-filed returns are returns filed by residents of Puerto Rico. Historically, the Additional Child Tax Credit was only available to Puerto Rico residents with a filing requirement and at least three children. However, for the 2021 filing season, the credit became available to residents of Puerto Rico with at least one child, whether or not they had a filing requirement.⁶ To claim the refundable credit, taxpayers must file Form 1040PR, U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for *Bona Fide* Residents of Puerto Rico) (Puerto Rico Version), or Form 1040SS, U.S. Self-Employment Tax Return (Including the Refundable Child Tax Credit for *Bona Fide* Residents of Puerto Rico).

The data shows a substantial increase in visits to IRS.gov since 2019, even disregarding the pandemic-related spikes in visits during 2020 and 2021. Undoubtedly, this is partly attributable to the many questions taxpayers had about returns requiring manual processing that delayed millions of refunds beyond the normal processing time and the difficulty of taxpayers reaching an IRS assistor on the toll-free telephone lines.

On the last day of the 2022 filing season (April 18), a significant spike in web traffic caused a temporary disruption in taxpayers' ability to access the Make a Payment feature in Online Account. While the IRS resolved the issue the same day, it affected 891,000 individuals and added a level of anxiety for those taxpayers on an already stressful day.⁷

The IRS provides weekly filing season updates and other matters impacting the filing season on its website.⁸ Some of the most significant filing season challenges have been return processing delays, correspondence processing delays, difficulty reaching the IRS by telephone, and an inability to obtain information from the IRS's Where's My Refund? and Where's My Amended Return? tools. The IRS must get current on its inventory backlog before the start of the 2023 filing season.

Over 13 Million Paper Tax Returns Required Manual Processing

At the close of the 2021 filing season (which was May 17, 2021, due to the postponed deadline), the IRS had a backlog of 35.8 million tax returns requiring manual processing.⁹ This backlog consisted of roughly half unprocessed paper returns and half tax returns (both paper and e-filed) suspended during processing for manual review, leading to refund delays for many of these taxpayers. For original returns that were e-filed, the IRS has mostly worked through the backlog. But the story is very different for paper returns.

Paper processing remains the agency's biggest challenge, and that will likely continue throughout 2022. As of April 22, 2022, the IRS still had backlogs of 6.2 million unprocessed original individual returns (Form 1040 series) and 2.6 million unprocessed amended individual returns (Forms 1040-X) – with many taxpayers still waiting for their refunds from their 2020 tax return filings. The IRS had in its inventory about 13.3 million tax returns and about 5.3 million pieces of taxpayer correspondence/Accounts Management (AM) cases (excluding amended tax returns) that require manual processing, as shown in Figure 3.

FIGURE 3, Status of Inventory Requiring Manual Processing (as of April 22, 2022)¹⁰

	Individual	Business	Not Specified	Total
Paper Returns Awaiting Processing				
Received in Calendar Year 2021	1,600,000	684,000	-	2,300,000
Received in Calendar Year 2022	4,600,000	4,500,000	2,000,000	11,000,000
Total Paper Returns Awaiting Processing	6,200,000	5,200,000	2,000,000	13,300,000
Paper and Electronic Returns – Processing Suspended	5,300,000	1,600,000	-	6,800,000
Amended Returns Inventory	2,600,000	1,100,000	-	3,700,000
Total Unprocessed Returns	14,100,000	7,900,000	2,000,000	23,800,000
Correspondence/Accounts Management Cases (excluding amended returns)	2,200,000	1,000,000	2,100,000	5,300,000
Total Inventory Requiring Manual Processing	16,300,000	8,900,000	4,100,000	29,100,000

Of all individual returns processed during the current filing season through April 22, 2022, 64 percent resulted in refunds.¹¹ With roughly two-thirds of individual tax returns claiming refunds, the practical impact of IRS processing delays affects taxpayers' pocketbooks. Refund delays can create financial hardships for many taxpayers, particularly those who are low-income. While taxpayers who e-filed their returns generally fared better than taxpayers who filed on paper, millions of e-filed returns were suspended during processing due to discrepancies between amounts claimed on the returns and amounts reflected in the IRS's records.¹²

The most common discrepancy involved Recovery Rebate Credit (RRC) claims filed by taxpayers who did not receive some or all of their EIPs the prior year. Another source of discrepancies was monthly payments of the AdvCTC for the second half of 2021. Taxpayers had to claim and/or reconcile AdvCTC and RRC on a 2021 individual tax return. The IRS attempted to minimize discrepancies by including the information in online taxpayer accounts and sending notices to taxpayers who received EIPs and AdvCTC payments showing how much they received. But even so, millions of discrepancies – and consequent math error notices – occurred.¹³

For the period January 1 through April 21, 2022, the IRS issued about 12.1 million math error notices for RRC, CTC, or other inconsistencies.¹⁴ When a taxpayer disagreed with a math error notice and submitted a response, the correspondence added to the IRS's mounting paper submission pile that awaited processing and generated more delayed responses. Although the IRS has created temporary "surge" teams to help with the current inventory backlog, it continues to struggle with high inventory levels of math error correspondence.¹⁵

Delays in Processing Taxpayer Correspondence

The IRS sent millions of notices to taxpayers during the 2022 filing season.¹⁶ These included math error notices, Automated Underreporter notices,¹⁷ notices requesting a taxpayer to authenticate his or her identity (where IRS security filters flagged a return as potentially filed by an identity thief), correspondence examination notices, and collection notices. If taxpayer responses were required, and if the IRS did not process a response, its automated processes could take adverse action or not release the refund claimed on the tax return.

On June 3, 2022, the IRS updated its website to inform taxpayers that due to extenuating circumstances caused by the pandemic, its identity theft inventories have increased, and on average, it is taking about 360 days to resolve identity theft cases.¹⁸ This is yet another area in which the IRS must improve and reduce

the timeframe to resolve these problems. Taxpayers cannot afford to experience similar challenges in future filing seasons. Taxpayers deserve better; the IRS must figure out a way to issue timely tax refunds and process taxpayer correspondence.

The IRS Must Continue to Prioritize the Processing of Tax Returns and Correspondence Through an “All-Hands-on-Deck” Surge Strategy

In late February 2022, the IRS reassigned employees from other areas to its AM function, including telephone customer service representatives (CSRs) and provided this AM “surge team” with additional training to process tax returns and correspondence.¹⁹ The IRS plans to continue this reallocation of employees until the agency fully works through its backlog, as it continues to struggle with its antiquated IT systems for return processing and the overwhelming volume of paper returns and correspondence. The IRS also increased staffing in its Submission Processing function (second surge team) as a significant volume of the unprocessed returns work resides there, including all paper Forms 1040. Additionally, paper Forms 1040-X, Amended U.S. Individual Tax Return, are sent through Submission Processing for initial screening, and many are worked through manual adjustments by Submission Processing employees. The IRS has also contracted for clerical assistance with the return processing. These steps are an important effort to close the year without a large backlog carrying over into the 2023 filing season. Time will tell if it is enough to get to a healthy state by year end.

Unacceptably Low Level of IRS Telephone Service

Taxpayers whose returns were caught in backlogs or submission processing delays called the IRS seeking information – such as the reason for the delays and what they needed to do. Taxpayers who did not receive their EIPs when they expected also called – and perhaps called often – and many did not receive fruitful information or satisfying results.

Taxpayers had difficulty reaching the IRS by telephone in the 2022 filing season, with a Level of Service (LOS) dipping down to 18 percent. The fewer than one-in-five calls that managed to get through to an IRS CSR had to wait, on average, 29 minutes on hold.

Figure 4 shows the large surge of calls the IRS received and the related challenges taxpayers experienced while navigating this difficult filing season.

FIGURE 4, IRS Telephone Results, 2019-2022 Filing Seasons Comparing Weeks Ending April 19, 2019; July 17, 2020; May 21, 2021; and April 23, 2022²⁰

	2019	2020	2021	2022	Percent Change 2019-2022
Enterprise Total					
Calls Received	40,796,555	55,267,317	167,396,426	72,811,503	78%
Calls Answered by CSRs	10,082,963	11,605,369	15,667,499	7,453,961	-26%
Percent of Calls Answered by CSRs	25%	21%	9%	10%	-60%
CSR Level of Service	59%	52%	19%	18%	-69%

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	2019	2020	2021	2022	Percent Change 2019-2022
Average Speed of Answer (in minutes)	13	17	20	29	123%
Accounts Management					
Calls Received	34,382,805	46,538,775	150,183,477	60,036,799	75%
Calls Answered by CSRs	8,059,818	8,716,057	10,962,520	4,641,053	-42%
Percent of Calls Answered by CSRs	23%	19%	7%	8%	-65%
CSR Level of Service	67%	56%	15%	15%	-78%
Average Speed of Answer (in minutes)	9	15	19	28	211%
Form 1040 Line					
Calls Received	7,316,757	12,089,419	85,121,466	15,317,600	109%
Calls Answered by CSRs	1,903,012	2,246,263	2,527,682	1,161,185	-39%
Percent of Calls Answered by CSRs	26%	19%	3%	8%	-69%
CSR Level of Service	67%	54%	6%	14%	-79%
Average Speed of Answer (in minutes)	9	14	20	26	189%
Consolidated Automated Collection System Lines					
Calls Received	3,741,588	5,594,176	6,252,494	5,038,973	35%
Calls Answered by CSRs	1,098,111	1,688,704	2,369,001	1,641,744	50%
Percent of Calls Answered by CSRs	29%	30%	38%	33%	14%
CSR Level of Service	33%	35%	41%	34%	4%
Average Speed Answer (in minutes)	41	26	23	36	-12%

AM CSRs answered only 4.6 million, or eight percent, of the 60 million calls received this filing season. Most callers could not obtain answers to their tax law questions, get help with account problems, or speak with a CSR about a compliance notice if desired. Among the one in 12 callers able to reach an AM CSR, the IRS reported that hold times averaged 28 minutes.²¹

One toll-free telephone line that had particularly poor service was the Taxpayer Protection Program (TPP) line. The IRS instructed taxpayers whose tax returns were flagged for potential identity theft to call the TPP line to verify their identity. During the 2022 filing season, the IRS received approximately 4.5 million calls to the TPP line where the average LOS was 3.7 percent.²² The IRS needs to provide better service to these taxpayers so that they may confirm their identities and receive their refunds quickly.

Each year, Congress appropriates a budget and allocates funds for specific tasks. For fiscal years (FYs) 2021 and 2022, Congress funded the IRS to provide CSR Levels of Service of 32 and 30 percent, respectively – meaning it anticipated that CSRs were *expected* to answer only three out of every ten incoming calls to the IRS toll-free telephone lines.²³ That expectation is unacceptable (per Figure 4, the IRS achieved a CSR LOS well below expectation – 19 percent for the 2021 filing season, 18 percent for the 2022 filing season). For future budgets, the National Taxpayer Advocate urges Congress to provide additional funds for this essential service and urges the IRS to continue to explore efficiencies with its phone service and continue to improve other options such as increased functionality with online accounts and other web solutions and resources. High-quality, timely phone assistance facilitates trust in the IRS.

Where's My Refund? and Where's My Amended Return? Tools

With the processing delays, millions of taxpayers turned to the IRS's Where's My Refund? tool to check the status of their refunds using the most up-to-date information available to the IRS.

FIGURE 5, Where's My Refund? Visits, Filing Seasons 2019 to 2022²⁴

Tool	Visits for January 1 Through April 19, 2019	Visits for January 1 Through July 17, 2020	Visits for January 1 Through May 21, 2021	Visits for January 1 Through April 22, 2022	Percent Change 2019-2022
Where's My Refund?	317,417,000	468,824,000	483,439,000	334,399,000	5%

Taxpayers attempted to check the status of their refunds on IRS.gov over 334 million times during the 2022 filing season, but Where's My Refund? does not provide information on unprocessed returns or explain any status delays, the reasons for delays, where returns stand in the processing pipeline, or what actions taxpayers need to take, if any.²⁵ Where's My Amended Return? received 11.6 million visits but suffered from similar limitations.²⁶

On May 25, 2022, the IRS introduced a welcome new feature that allows taxpayers to check the status of their current tax year and two previous years' refunds. This change will provide some assistance for taxpayers still waiting on prior year refunds but still does not identify the reason for the delay.

TAS has recommended that the IRS improve its Where's My Refund? tool by providing taxpayers with specific information about the cause of the refund delay, what information the taxpayer needs to provide, and an estimate when the IRS might issue the refund.²⁷ Providing taxpayers with more information regarding the status of refunds or potential delays will better protect their *right to be informed* and may have the downstream benefit of reducing taxpayers' need to call the IRS for additional information, thereby reducing the strain on its toll-free lines.

Reconciliation of Earned Income Tax Credit Payments

"Lookback Rule" for the Earned Income Tax Credit

The Earned Income Tax Credit (EITC) is an important tax incentive for working individual taxpayers. This refundable tax credit helps low- to moderate-income workers and families reduce their tax liability, and unlike most other tax credits, can result in the claimant being entitled to a tax refund.²⁸ The American Rescue Plan Act of 2021 provided temporary relief for taxpayers who earned less income in 2021 than 2019²⁹ to maximize the credit. Specifically, the provision allows taxpayers to elect to use their 2019 earned income to calculate EITC, if the taxpayers' 2019 earned income is larger than the 2021 earned income, resulting in larger credits.

While the lookback rule benefits individual taxpayers who experienced a drop in earned income during the pandemic, a significant number of these taxpayers experienced a delay in receiving their much-needed refunds in the 2021 filing season due to the IRS having to manually validate the 2019 income for the credit amount calculation.³⁰ For the 2022 filing season, the IRS developed an automated tool that enabled employees to systemically access returns and fix the errors in seconds, which allowed processing of such returns to avoid the 12- to 14-week delay taxpayers encountered in the 2021 filing season.³¹

For the period January 1 through April 28, 2022, approximately 435,000 2021 returns calculated EITC using 2019 earned income. These returns claimed nearly \$1.8 billion in EITC. TAS estimates that there were nearly 2.3 million taxpayers who used 2021 earned income but would have received nearly \$2.6 billion more in EITC had they used their 2019 income.³² We urge the IRS to consider outreach to this group of taxpayers to explain the benefit of amending their returns.

Major Hiring Initiative Announced in March 2022

Working with Treasury, the Office of Personnel Management, and the National Treasury Employees Union, the IRS secured direct-hire authority for a total of 10,000 positions – 5,000 employees to be onboarded in the spring and early summer and an additional 5,000 new hires to be made over the course of the next year.³³ Congress also provided hiring flexibilities to further expedite hiring in critical positions.³⁴ However, due to the challenges of hiring during the pandemic and competition from other employers for the same talent, this environment is an exceptionally difficult one for hiring.³⁵

In March 2022, the IRS announced its hiring initiative under this special hiring authorization. The IRS sought to bring in over 5,000 new hires in its three service processing centers.³⁶ Unfortunately, the IRS was only able to meet 12 percent of the hiring goal as of April 22, 2022.³⁷ Even with direct-hire authority, considering the time required for security clearance and training needed to get new employees up to speed, these new hires could not contribute during the 2022 filing season but should be available to work the inventory backlog and process returns filed on extension through October 15, 2022. On June 1, 2022, the IRS announced plans to hold additional virtual information sharing events in June to boost its workforce and better help taxpayers and businesses. The IRS announced it is looking to hire over 4,000 contact representative positions at several IRS offices nationwide this summer.³⁸

Face-to-Face Service at Taxpayer Assistance Centers

The IRS provides face-to-face assistance to taxpayers in the 50 states, the District of Columbia, and Puerto Rico at Taxpayer Assistance Centers (TACs). Over the past decade, the IRS had reduced the number of TACs from 401 (in 2011) to 358 (in 2019).³⁹ As of April 7, 2022, the IRS maintained 358 TACs, but due to attrition and resource limitations, 39 are not staffed on a full-time basis (24 TACs provided a virtual service delivery alternative to an in-person visit). All staffed TACs offer appointments and the ability to walk in.⁴⁰

Recognizing the importance of providing face-to-face assistance to taxpayers outside of normal business hours, the IRS expanded its hours for certain TACs.⁴¹ Approximately 700 IRS employees volunteered at 74 TAC locations participating in “Taxpayer Experience Days” to offer expanded face-to-face service to taxpayers one Saturday a month during the 2022 filing season.⁴²

The IRS continued its policy of requiring taxpayers to schedule an appointment to receive assistance at any of its TACs.⁴³ To schedule an appointment, taxpayers are to call the TAC Appointment line, where an assistor determines the taxpayer’s need and directs the taxpayer to resources where he or she may find answers to his or her questions.⁴⁴ This filing season, there were 434,000 scheduled appointments for face-to-face assistance at TACs, a decrease of 46 percent compared to the 2019 filing season.⁴⁵ This trend is not surprising given the ongoing physical distancing practices during the COVID-19 pandemic.

FIGURE 6, Face-to-Face Assistance, Filing Seasons 2019 to 2022⁴⁶

	January 1 Through April 19, 2019	January 1 Through July 17, 2020	January 1 Through May 21, 2021	January 1 Through April 22, 2022	Percent Change 2019-2022
Total Field Assistance Face-to-Face Contacts	799,000	537,000	394,000	434,000	-46%
Walk-in Exceptions (No Scheduled Appointment)	87,000	37,000	1,964	6,000	-93%

In limited instances, taxpayers may receive assistance from a TAC without an appointment. This filing season, 6,000 taxpayers were assisted at TACs without an appointment because of openings in the day’s calendar

or as staffing permitted, down 93 percent from the 2019 filing season.⁴⁷ The appointment-only approach can negatively affect taxpayers who need assistance urgently and cannot wait to obtain an appointment.⁴⁸ TAS is pleased that the IRS's guidance to employees includes managerial discretion to assist taxpayers without appointments if the taxpayer has a hardship or can be assisted without affecting other scheduled appointments.⁴⁹ However, serving taxpayers without appointments remains an exception.

Prior to the COVID-19 pandemic, the IRS began an initiative to virtually assist taxpayers through web-based software. The IRS began Phase 2 of its Web Service Delivery (WebSD) pilot program on March 15, 2022.⁵⁰ Taxpayers may make WebSD appointments to meet virtually with an IRS assistor on topics such as EIPs, math error notices, and refund inquiries. Through April 22, 2022, 224 WebSD appointments were booked as part of this pilot program.⁵¹ While we are pleased the IRS has undertaken this pilot, it must considerably increase availability to meet the needs of a broader segment of taxpayers.

Limited Volunteer Tax Return Preparation Services Available to Taxpayers

This filing season, volunteers once again provided tax return preparation assistance at virtual and in-person sites via the Volunteer Income Tax Assistance (VITA) and the Tax Counseling for the Elderly (TCE) programs. VITA offers free tax return preparation assistance to people who generally make \$58,000 or less, persons with disabilities, and limited English-speaking taxpayers who need assistance in preparing their own tax returns, and TCE provides free tax help for individuals aged 60 and older.⁵² Many taxpayers depend on the services offered by these two programs to meet their income tax return filing requirements or claim refundable credits such as EITC.

Unfortunately, however, assistance provided by volunteers significantly decreased as many individuals were dealing with the safety and logistical issues presented by the pandemic. In mid-January 2022, there were almost 44 percent fewer volunteers trained and certified to staff VITA and TCE sites than the number at the same time in 2020 (pre-COVID-19).⁵³

As Figure 7 indicates, another impact of COVID-19 was the 39 percent decline of returns prepared at volunteer sites from the 2019 to 2022 filing seasons.

FIGURE 7, Individual Returns Filed by Volunteers, 2019 to 2022 Filing Seasons⁵⁴

	Filing Season 2019 (January 1 Through April 19, 2019)	Filing Season 2020 (January 1 Through July 17, 2020)	Filing Season 2021 (January 1 Through May 21, 2021)	Filing Season 2022 (January 1 Through April 22, 2022)	Percent Change 2019 to 2022
Total Individual Returns Prepared by Volunteers	3,440,000	2,455,000	1,877,000	2,095,000	-39%

To ensure the health and safety of taxpayers and volunteers, some volunteer tax return preparation sites offered virtual help to taxpayers, either over the phone or online. However, the pandemic severely hampered VITA and TCE activity the past two filing seasons.

The National Taxpayer Advocate recognizes and thanks those individuals who volunteered this year despite the challenges, as their efforts assisted taxpayers who filed approximately 2.1 million returns.⁵⁵ This is yet another example of how Americans stepped up and gave back to those in need during the pandemic by assisting individuals with their tax obligations.

Endnotes

- 1 The 2022 filing season began on January 24, 2022, and closed on April 18, 2022. The return due date was April 18 instead of April 15 because of the Emancipation Day holiday in the District of Columbia for all taxpayers except those who live in Maine or Massachusetts. Taxpayers in Maine or Massachusetts had until April 19, 2022, to file their returns due to the Patriots' Day holiday in those states.
- 2 Email from the Wage and Investment (W&I) Division (May 2, 2022); IRS, Status of Unopened Mail and Backlog Inventory (Apr. 29, 2022) (showing data as of April 22, 2022).
- 3 IRS, IR-2022-08, 2022 tax filing season begins Jan. 24; IRS outlines refund timing and what to expect in advance of April 18 tax deadline (Jan. 10, 2022), <https://www.irs.gov/newsroom/2022-tax-filing-season-begins-jan-24-irs-outlines-refund-timing-and-what-to-expect-in-advance-of-april-18-tax-deadline>.
- 4 IRS, Filing Season Statistics for Week Ending Apr. 22, 2022, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-april-22-2022> (last visited May 2, 2022). IRS, Filing Season Statistics for Week Ending May 21, 2021, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-may-21-2021> (last visited May 28, 2021).
- 5 IRS, Filing Season Statistics for Week Ending Apr. 22, 2022, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-april-22-2022> (last visited May 2, 2022); IRS, Filing Season Statistics for Week Ending May 21, 2021, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-may-21-2021> (last visited May 28, 2021); IRS, Filing Season Statistics for Week Ending July 17, 2020, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-july-17-2020> (last visited May 28, 2021); Filing Season Statistics for Week Ending April 19, 2019, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-april-19-2019> (last visited May 28, 2021). For 2020, total and electronically filed returns include returns filed to obtain EIPs by those who would not usually file income tax returns. Total e-filing line may not equal subtotals due to rounding.
- 6 See Internal Revenue Manual (IRM) 3.38.147.15.3, Additional Child Tax Credit (ACTC) - Puerto Rico (Jan. 1, 2022). See also Rev. Proc. 2022-22, 2022-21 I.R.B. 1098.
- 7 IRS response to TAS information request (June 2, 2022).
- 8 IRS, IRS Operations During COVID-19: Mission-critical functions continue, <https://www.irs.gov/newsroom/irs-operations-during-covid-19-mission-critical-functions-continue> (last visited June 6, 2022).
- 9 National Taxpayer Advocate Fiscal Year 2022 Objectives Report to Congress 5-6; data provided by W&I on June 23, 2021 (on file with TAS). In our FY 2022 Objectives Report, we reported that the backlog of unprocessed tax returns at the end of the 2021 filing season was 35.3 million. The IRS has since advised us that an additional 500,000 amended business tax returns had not been processed at that time. Therefore, the backlog of unprocessed tax returns at the end of the 2021 filing season was 35.8 million.
- 10 Email from W&I (May 2, 2022); IRS, Status of Unopened Mail and Backlog Inventory (Apr. 29, 2022) (showing data as of April 22, 2022).
- 11 IRS, Filing Season Statistics for Week Ending April 22, 2022, <https://www.irs.gov/newsroom/filing-season-statistics-for-week-ending-april-22-2022> (last visited May 2, 2022).
- 12 See, e.g., IRS, Math Error Report for CY 2022 (cycle 16).
- 13 As of the close of the 2022 filing season, the IRS had issued more than 12 million math error notices. IRS, Math Error Report for CY 2022 (cycle 16).
- 14 *Id.*
- 15 *Id.*
- 16 See, e.g., IRS, Math Error Report for CY 2022 (cycle 16).
- 17 Automated Underreporter notices are issued when an amount reported on a tax return does not match the corresponding amount reported to the IRS on a Form 1099 or other third-party information return. Such notices issued during the 2022 filing season were likely to be associated with a prior year return.
- 18 IRS, IRS Operations During COVID-19: Mission-critical functions continue, <https://www.irs.gov/newsroom/irs-operations-during-covid-19-mission-critical-functions-continue> (last visited June 7, 2022).
- 19 See AM Customer Account Services, Reduction of Accounts Management Adjustments Inventory – Directed Reassignments (Surge Team) (Jan. 19, 2022); email from Commissioner Rettig to all IRS employees (Feb. 2, 2022); AM Inventory Surge Team, Frequently Asked Questions (Feb. 11, 2022).
- 20 IRS, Joint Operations Center (JOC), Snapshot Reports: Enterprise Snapshot for Enterprise Total, Accounts Management, and Consolidated Automated Collection Service data (weeks ending Apr. 20, 2019; June 30, 2020; and May 22, 2021); IRS, JOC, Snapshot Reports: Product Line Detail for the Form 1040 data (weeks ending Apr. 20, 2019; June 30, 2020; and May 22, 2021). For 2020, the last day of the JOC planning period including the filing season is June 30, although the 2020 filing season was extended to July 15. Percentage of Calls Answered by CSRs reflects the number of calls answered by CSRs divided by the number of calls received. CSR Level of Service is an IRS performance measure that reflects the number of calls answered by CSRs divided by the number of calls directed to CSRs (*i.e.*, it excludes primary abandons, taxpayers who encounter busy signals or are disconnected, and calls routed for automated responses). Average Speed of Answer is a measure of the average number of seconds customers waited in queue before receiving service. The Percent Change column is computed based on actual numbers, not rounded numbers. All numbers in Figure 3, IRS Telephone Results, 2019-2022 Filing Seasons Comparing Weeks Ending April 19, 2019; July 17, 2020; May 21, 2021; and April 23, 2022, are rounded; however, the percentage change is calculated on the actual numbers.
- 21 *Id.*
- 22 IRS, JOC, Weekly TPP Snapshot Report (week ending Apr. 23, 2022).
- 23 Department of the Treasury, *Budget in Brief* 10 (Fiscal Year 2023); Department of the Treasury, *Budget in Brief* 12 (Fiscal Year 2022).
- 24 IRS, 2020 Weekly Individual Filing Season Report, Cumulative Statistics Comparing July 19, 2019, and July 17, 2020; IRS, 2021 Weekly Individual Filing Season Report, Cumulative Statistics Comparing May 22, 2020 (Day 117 of 2020 Filing Season), and May 21, 2021 (Day 99 of 2021 Filing Season). IRS, 2022 Weekly Individual Filing Season Report, Cumulative Statistics Comparing and April 23, 2021, and April 22, 2022.
- 25 See U.S. Government Accountability Office (GAO), GAO-22-104938, *Tax Filing: 2021 Performance Underscores Need for IRS to Address Persistent Challenges* 31-38 (Apr. 2022).
- 26 IRS response to TAS information request (May 16, 2022).
- 27 See, e.g., Erin M. Collins, Lifecycle of a Tax Return, NATIONAL TAXPAYER ADVOCATE BLOG (May 18, 2021), <https://www.taxpayeradvocate.irs.gov/news/nta-blog-lifecycle-of-a-tax-return/>.

- 28 IRC § 32. Working families filing married filing jointly with three or more qualifying children could be eligible for a credit up to \$6,728. Workers without a qualifying child could receive up to \$1,502. See IRS, Pub. 596, Earned Income Credit (EIC), For Use in Preparing 2021 Returns 33-42.
- 29 The American Rescue Plan Act of 2021, Pub. L. No. 117-2, Title VII, Subtitle G, § 9626, 135 Stat. 157-158 (2021).
- 30 See Erin M. Collins, 2021 Filing Season Bumps in the Road: Part I, NATIONAL TAXPAYER ADVOCATE BLOG (Apr. 22, 2021), <https://www.taxpayeradvocate.irs.gov/news/nta-blog-2021-filing-season-bumps-in-the-road-part-1/>.
- 31 FixERS is an automated tool in the Integrated Automation Technologies program. FixERS is currently programmed to resolve five out of the top ten common error codes for current year e-filed returns. IRS, W&I Offline 4 (May/June 2022).
- 32 IRS Compliance Data Warehouse, Individual Returns Transaction File for tax year 2021 returns filed through April 2022.
- 33 See *Hearing on the Filing Season and the IRS Budget Before the Senate Finance Committee*, 117th Cong. (Apr. 7, 2022) (statement of Charles P. Rettig, Commissioner Internal Revenue Service), <https://www.irs.gov/newsroom/written-testimony-of-charles-p-rettig-commissioner-internal-revenue-service-before-the-senate-finance-committee-on-the-filing-season-and-the-irs-budget>.
- 34 Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, Div. E, Title I, § 111, 136 Stat. 49 (2022).
- 35 See *Filing Season and IRS Operations, Hearing Before the H. Ways and Means Comm., Subcomm. on Oversight*, 117th Cong. (Mar. 17, 2022) (statement of Charles P. Rettig, Commissioner of Internal Revenue), <https://www.irs.gov/newsroom/written-testimony-of-charles-p-rettig-commissioner-internal-revenue-service-before-the-house-ways-and-means-committee-subcommittee-on-oversight-on-the-filing-season-and-irs-operations>.
- 36 IRS, IR-2022-55, IRS hiring more than 5,000 positions in Austin, Kansas City, Ogden (Mar. 10, 2022), <https://www.irs.gov/newsroom/irs-hiring-more-than-5000-positions-in-austin-kansas-city-ogden>.
- 37 Email from W&I (May 2, 2022); IRS, Status of Unopened Mail and Backlog Inventory (Apr. 22, 2022).
- 38 IRS, IR-2022-114, IRS seeks to offer jobs to thousands of workers this summer (June 1, 2022), <https://www.irs.gov/newsroom/irs-seeks-to-offer-jobs-to-thousands-of-workers-this-summer>.
- 39 See GAO, GAO-12-176, *Processing Gains, but Taxpayer Assistance Could Be Enhanced by More Self-Service Tools* (Dec. 2011); *Review of the FY 2020 Budget Request for the U.S. Department of Treasury: Hearing Before the S. Subcomm. on Financial Services and General Government of the S. Comm. on Appropriations*, 116th Cong. (2019) (written testimony of Charles P. Rettig, Commissioner of Internal Revenue).
- 40 *Hearing on the Filing Season and the IRS Budget Before the Senate Finance Committee*, 117th Cong. (Apr. 7, 2022) (statement of Charles P. Rettig, Commissioner Internal Revenue Service), <https://www.irs.gov/newsroom/written-testimony-of-charles-p-rettig-commissioner-internal-revenue-service-before-the-senate-finance-committee-on-the-filing-season-and-the-irs-budget>.
- 41 See IRS, IRS Face-to-Face Saturday Help, <https://www.irs.gov/help/irs-face-to-face-saturday-help> (last visited June 2, 2022).
- 42 W&I, Business Performance Review Q2 FY 2022, at 3 (May 16, 2022).
- 43 IRS, IR-2019-67, IRS.gov: Best place to get last-minute tax tips and resources (Apr. 9, 2019), <https://www.irs.gov/newsroom/irsgov-best-place-to-get-last-minute-tax-tips-and-resources>.
- 44 IRM 21.1.1.3, Customer Service Representative (CSR) Duties (Oct. 1, 2018).
- 45 IRS, 2022 Weekly Individual Filing Season Report (Apr. 22, 2022).
- 46 IRS, 2019 Weekly Individual Filing Season Report, Cumulative Statistics Comparing Apr. 20, 2018, and Apr. 19, 2019; IRS, 2020 Weekly Individual Filing Season Report, Cumulative Statistics Comparing July 19, 2019, and July 17, 2020; IRS, 2021 Weekly Individual Filing Season Report, Cumulative Statistics Comparing May 22, 2020 (Day 117 of 2020 Filing Season), and May 21, 2021 (Day 99 of 2021 Filing Season). IRS, 2022 Weekly Individual Filing Season Report, Cumulative Statistics Comparing April 23, 2021, and April 22, 2022.
- 47 *Id.*
- 48 W&I, Business Performance Review Q2 FY 2019, at 15 (Apr. 30, 2019). The IRS will, in some circumstances, “double book” an appointment if the taxpayer has an urgent need. However, this will happen only when the taxpayer is able to explain the need, and the phone assistor is able to recognize the urgency. There are exception criteria for taxpayers who show up at a TAC without an appointment. Likewise, the taxpayer will need to explain the need, and a TAC employee needs to recognize the taxpayer should receive service.
- 49 IRM 21.3.4.2.4.2, TAC Appointment Exception/Hardship Procedures (Feb. 5, 2021).
- 50 IRS, SERP Alert 22A0077, Web Service Delivery (WebSD) Virtual TAC (Mar. 9, 2022).
- 51 Data provided by Director, Field Assistance (June 3, 2022) (email on file with TAS).
- 52 IRS, Free Tax Return Preparation for Qualifying Taxpayers, <https://www.irs.gov/individuals/free-tax-return-preparation-for-qualifying-taxpayers> (last visited May 11, 2022); Taxpayer Advocate Service, VITA and TCE, <https://www.taxpayeradvocate.irs.gov/get-help/filing-returns/vita-and-tce/> (last visited June 6, 2022).
- 53 W&I, Business Performance Review Q1 FY 2022 (Feb. 2022) (more than 29,000 VITA/TCE volunteers as of January 12, 2022); W&I, Business Performance Review Q1 FY 2020 (Feb. 2020) (more than 52,000 VITA/TCE volunteers as of early January 2020). There was no Business Performance Review available for Q1 FY 2019 due to the government shutdown.
- 54 IRS, 2019 Weekly Individual Filing Season Report (week ending Apr. 19, 2019; IRS, 2020 Weekly Individual Filing Season Report (week ending July 17, 2020; IRS, 2021 Weekly Individual Filing Season Report (week ending May 21, 2021); IRS 2022 Weekly Individual Filing Season Report (week ending Apr. 22, 2022).
- 55 IRS, 2022 Weekly Individual Filing Season Report (week ending Apr. 22, 2022).