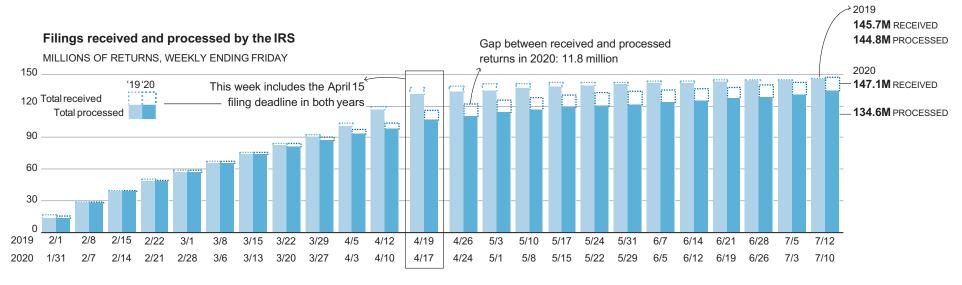


July 22, 2020

Personal income tax processing still lag prior-year levels

The IRS has had a busy 2020: The agency managed the Economic Impact Payment program in the first half of the year and now has a significant backlog of income tax returns to process. As of July 10, the agency reports it has received 147.1 million individual income tax returns, but has processed only 134.6 million, a gap of more than 12 million returns. That gap has exceeded 10 million returns since the end of April; the largest gap in 2019 was about 6.6 million returns. Filings lagged after March, when the agency pushed back the tax filing deadline, but have since caught up with prior-year levels.



Early in the 2020 filing season, returns received by the IRS had tracked their prior-year level. This year's filings began to lag starting the week ending March 27, the first week after the IRS announced it had extended the filing deadline to July 15 due to the coronavirus pandemic. By the week ending April 17, 2020 — the week that included the original April 15 filing deadline — about 116 million people had filed their returns. That is equal to 79 percent of the total returns the IRS had received as of July 10, the week before the extended filing deadline, compared to 94 percent of people over the equivalent time period in 2019. Filings in 2020 also include a number of people who filed with the IRS to received the \$1,200 one-time stimulus payment, would who not have otherwise filed a return with the IRS.

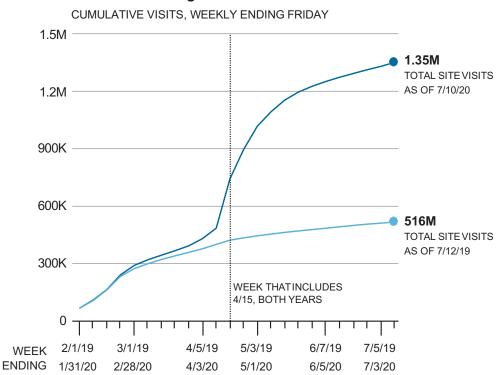




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Site visits to IRS.gov



Site visits to the IRS rose as people visited the website to learn more about filing season changes and the Economic Impact Payment program, which was sent out via the IRS.

Total refunds paid by the IRS DOLLARS \$300B TOTAL REFUNDS AS OF 7/12/19 \$289.3B \$267.3B TOTAL REFUNDS AS OF 7/10/20

WEEK THAT INCLUDES

6/7/19

6/5/20

7/5/19

7/3/20

4/15. BOTH YEARS

5/3/19

5/1/20

By the original April 2020 filing deadline, the IRS had paid out about \$230 billion, about 88 percent of the funds paid out by the agency at the same time the prior year.

4/5/19

4/3/20



Source: IRS

3/1/19

2/28/20

\$100B