



Business Nationwide Analysis



**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 940**

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 940 for
Processing Year (PY) 2010

Acknowledgements

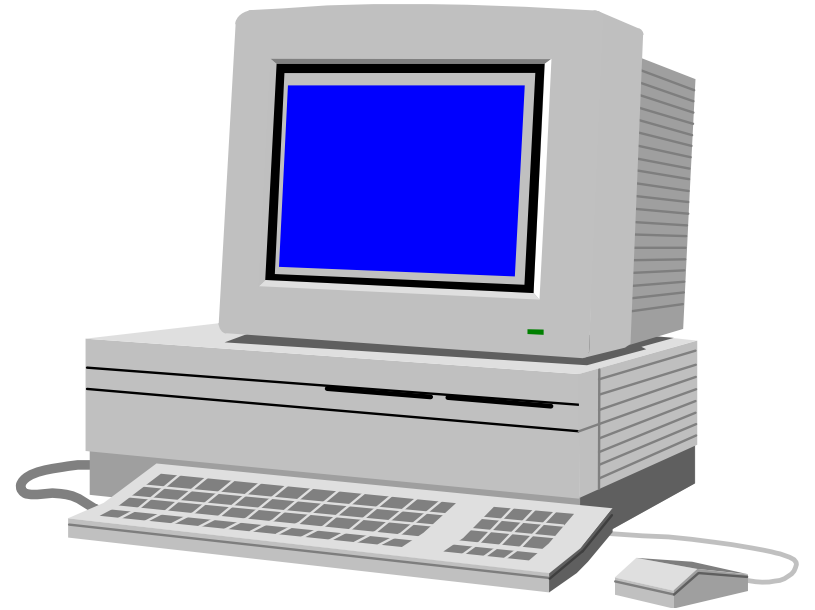
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains information on all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



Form 940 Filers

Employer's Annual Federal Unemployment Tax Return

Processing Year 2010

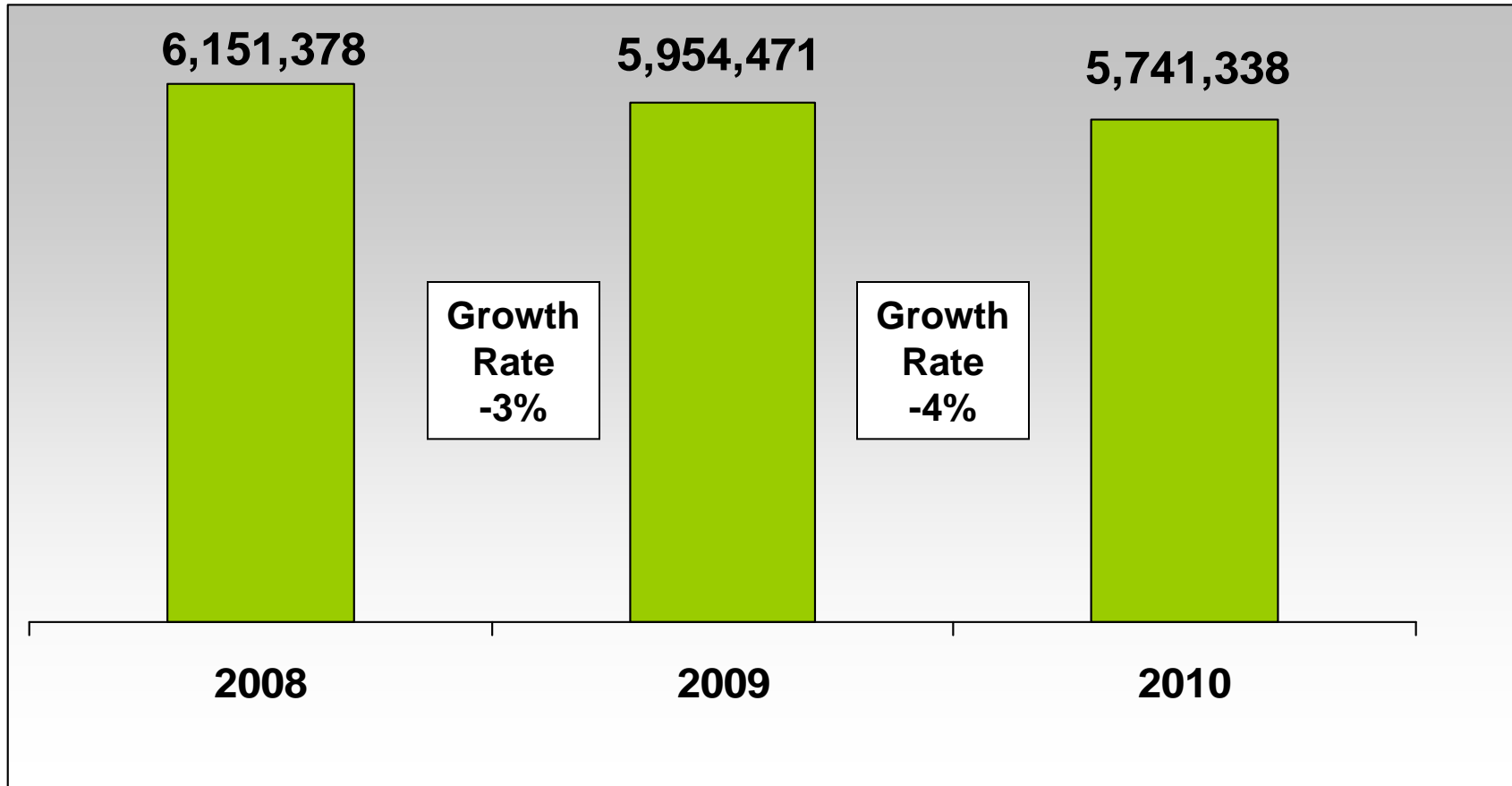


Form 940

Annual

Filing Volume

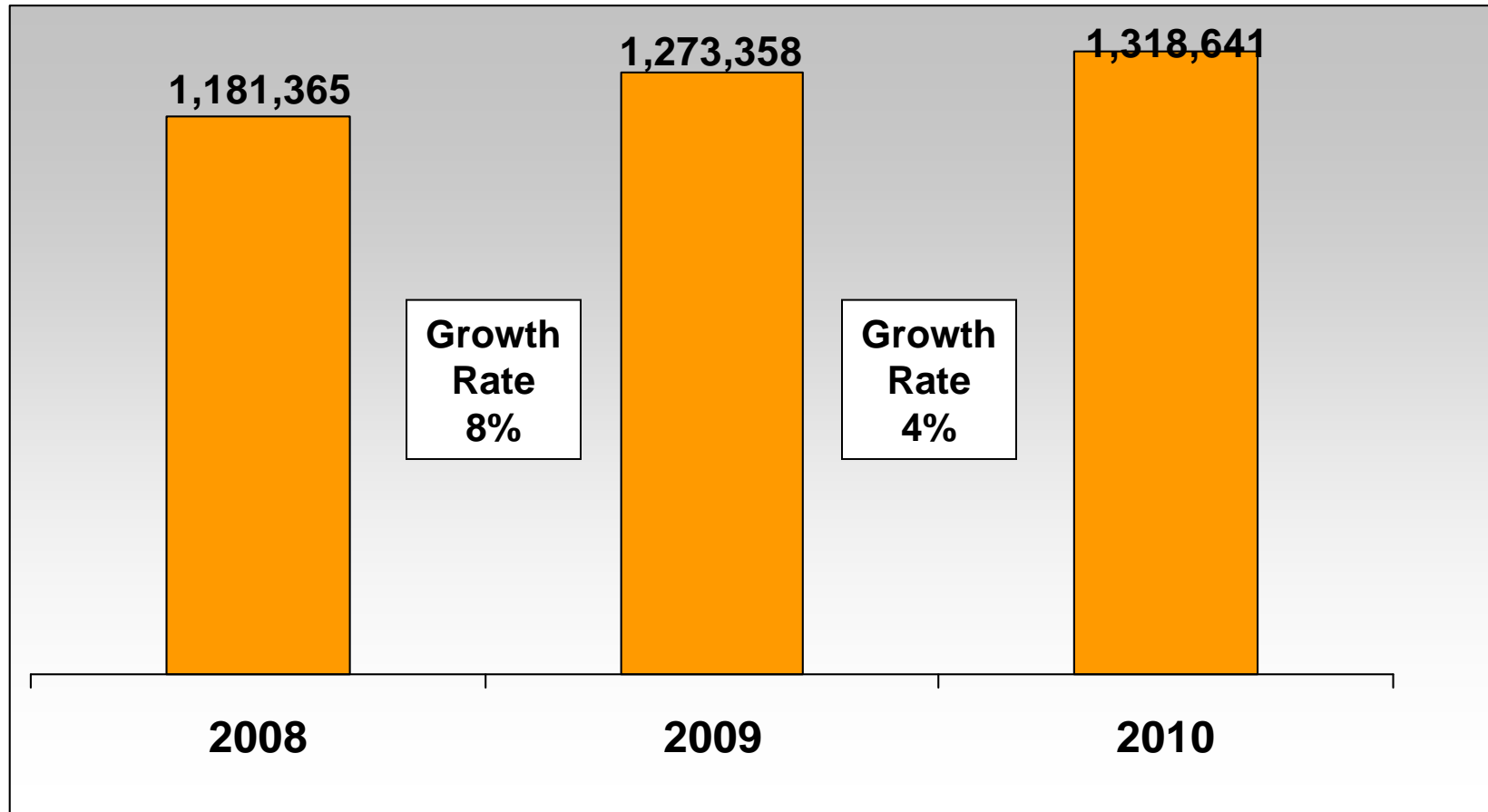
Processing Years 2008-2010



Source: 2010 ETA Marketing Database

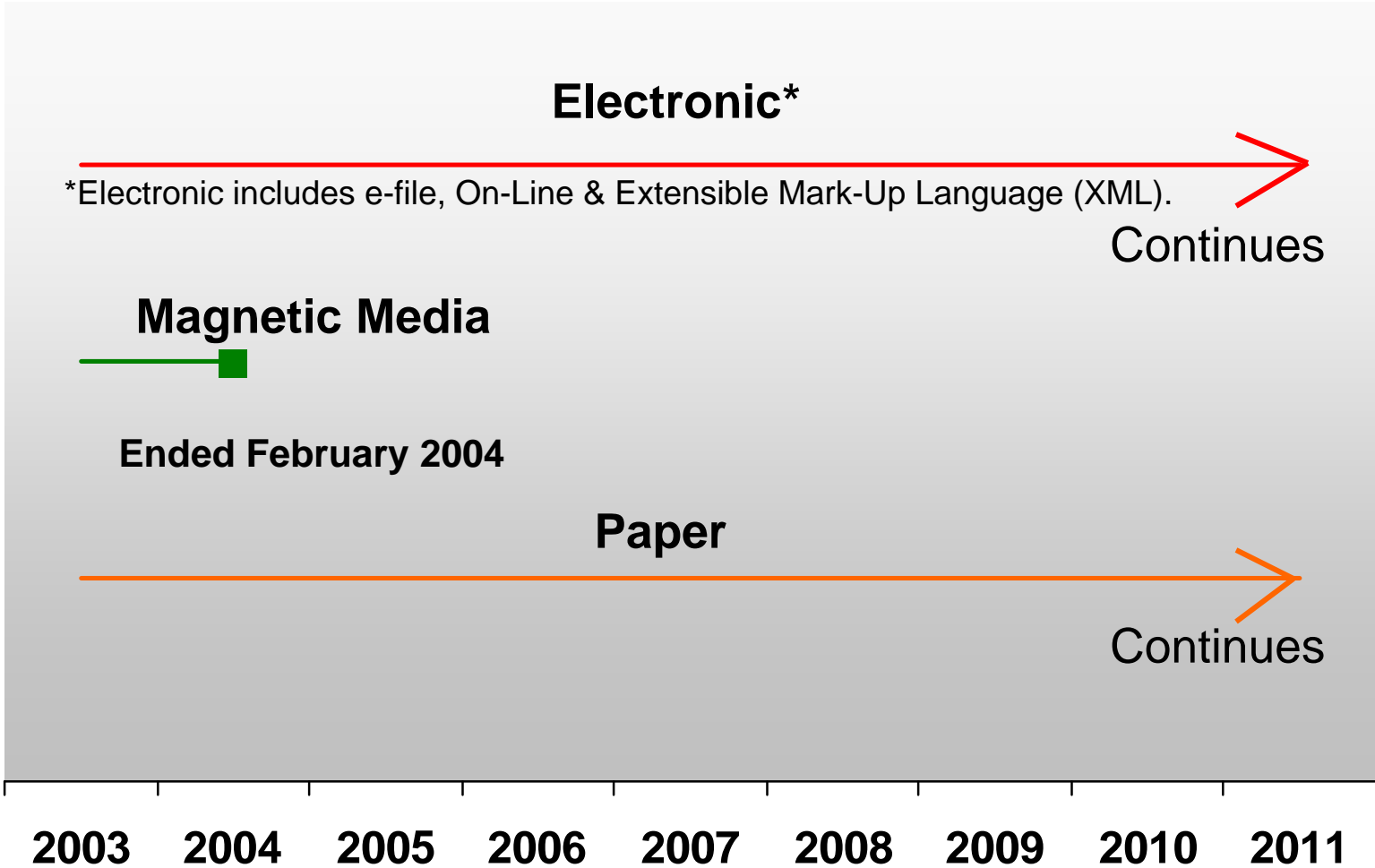
Form 940 Annual e-Filing Volume

Processing Years 2008-2010



Source: 2010 ETA Marketing Database

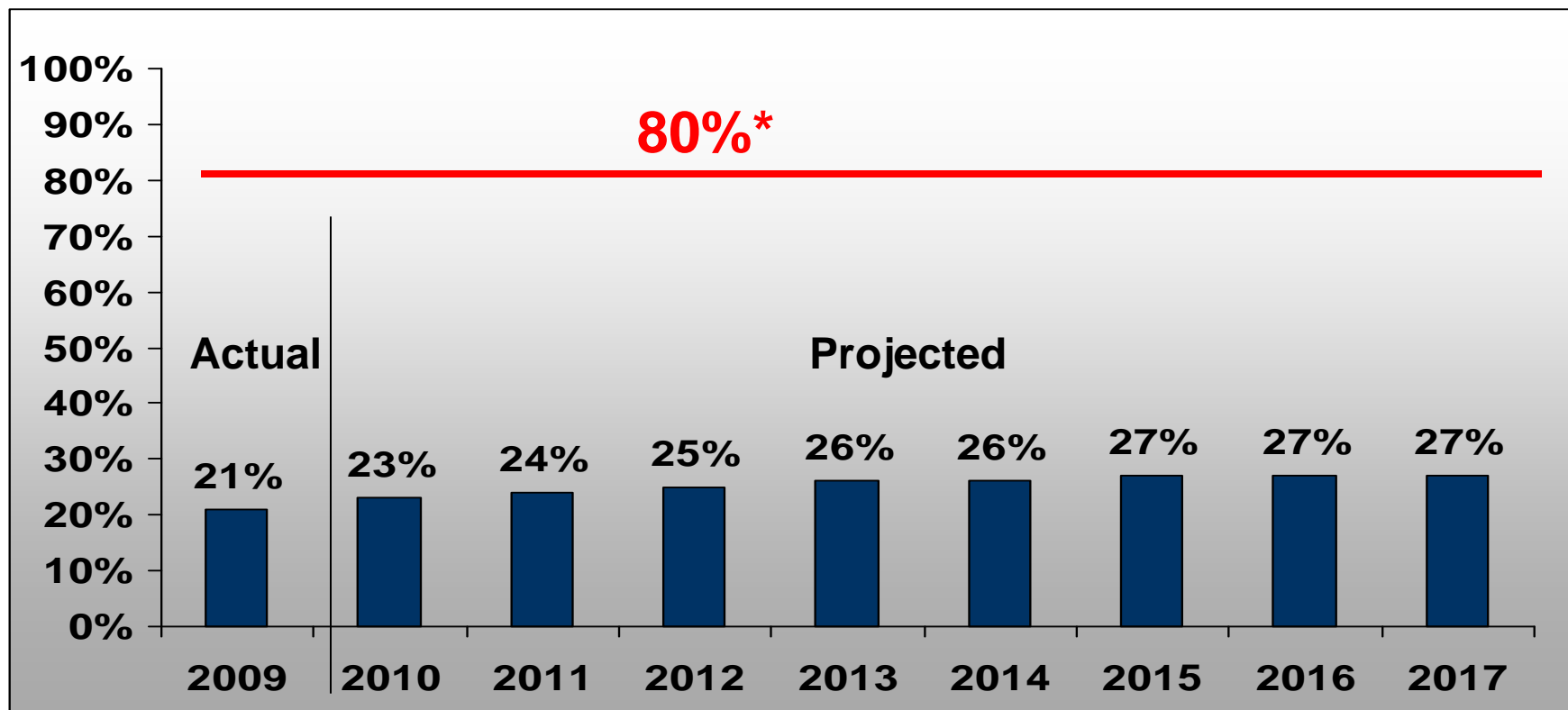
Form 940: Implementation Schedule



**In Processing Year 2010,
23% of all Forms 940
were filed electronically.**

Source: 2010 ETA Marketing Database

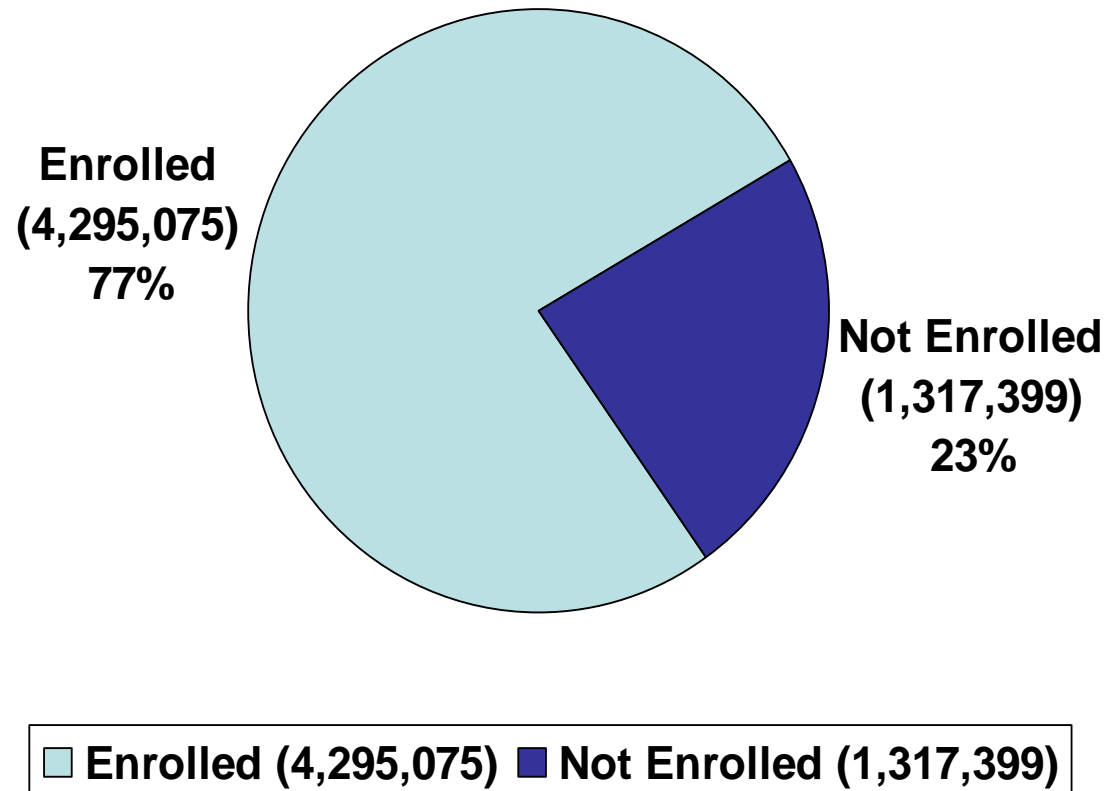
Form 940 Projected *e-file* Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

Form 940 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010

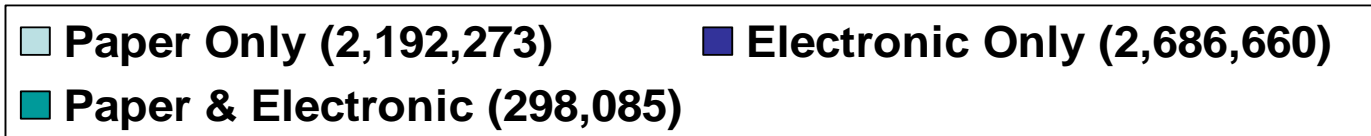
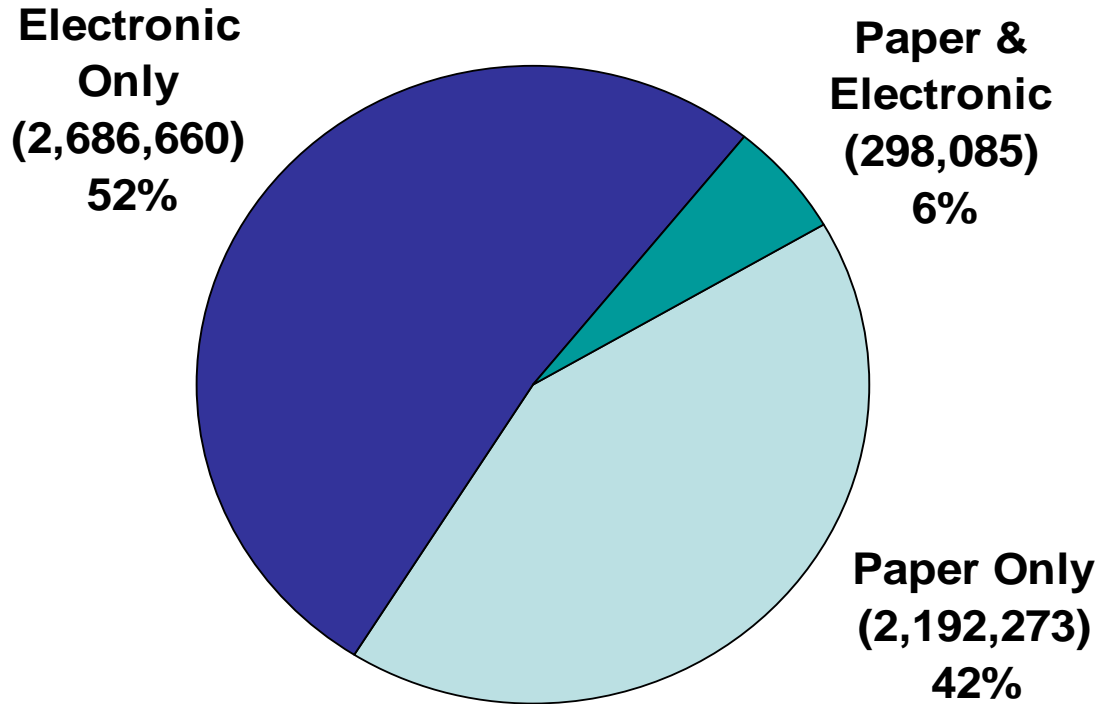


Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

Payment Method Used by Form 940 Taxpayers Making Form 940 Payments

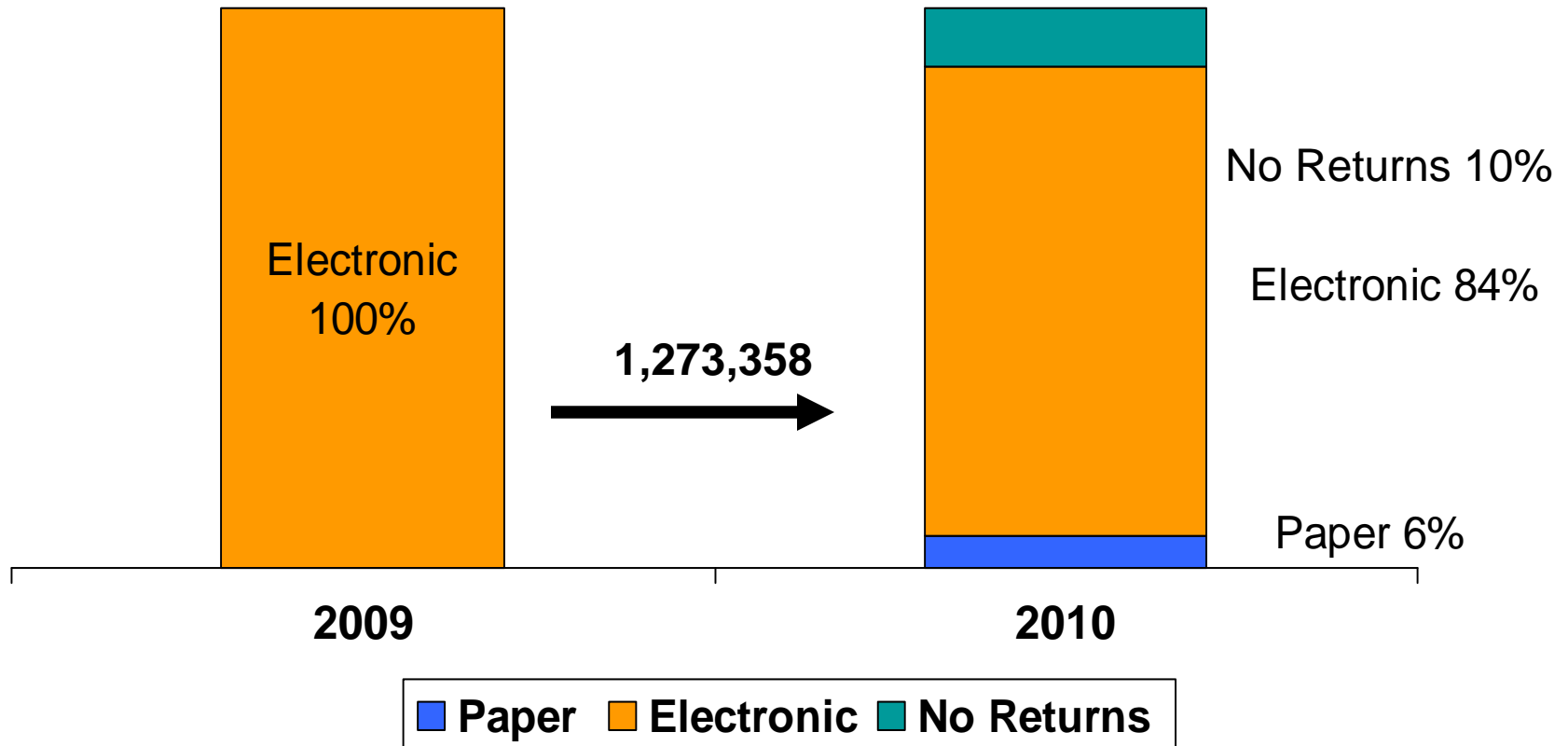
Processing Year 2010



Source: 2010 ETA Marketing Database

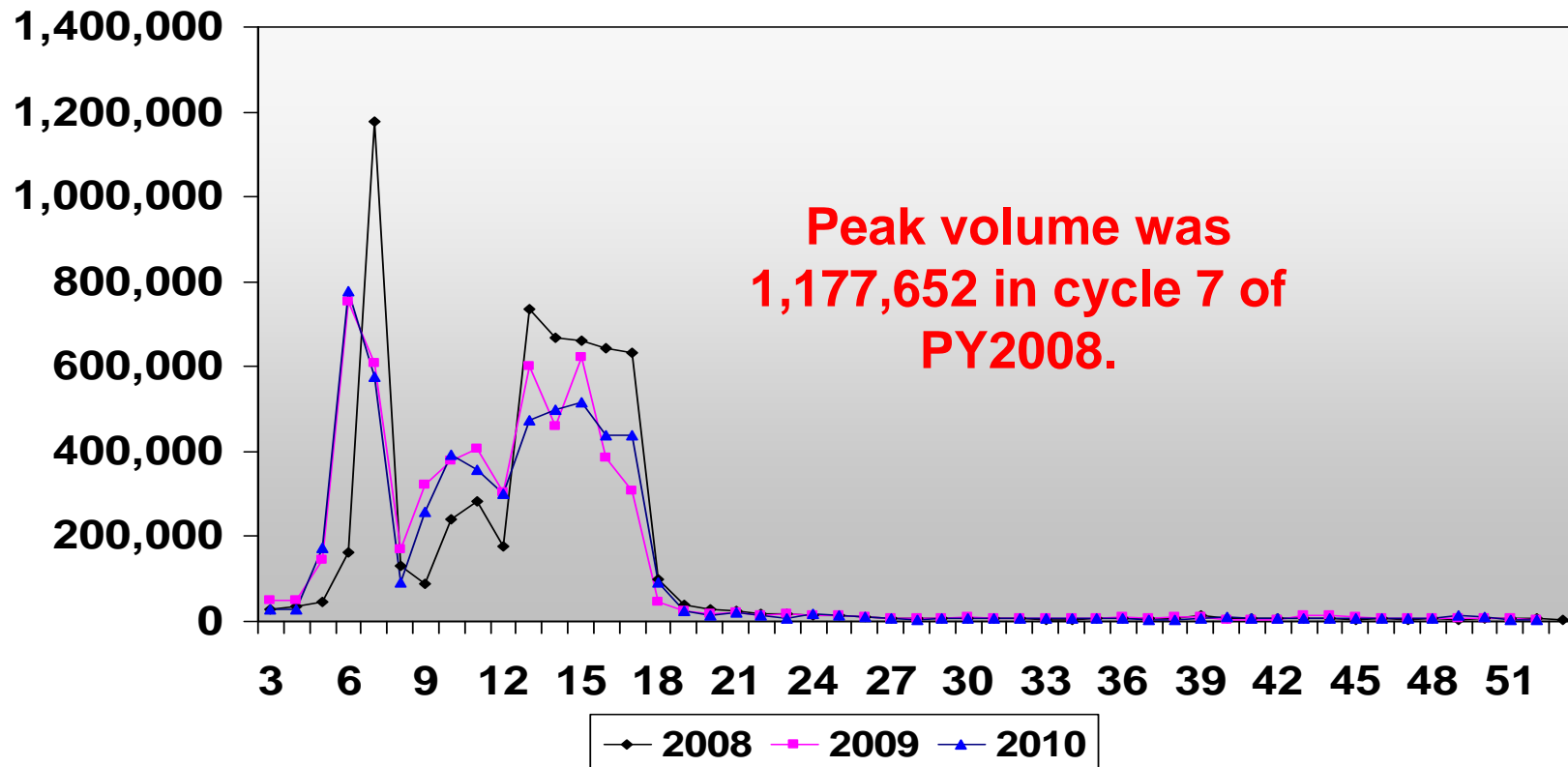
Form 940 *e-file* Loyalty

84% of PY2009 Form 940 electronic filers, e-filed in PY2010



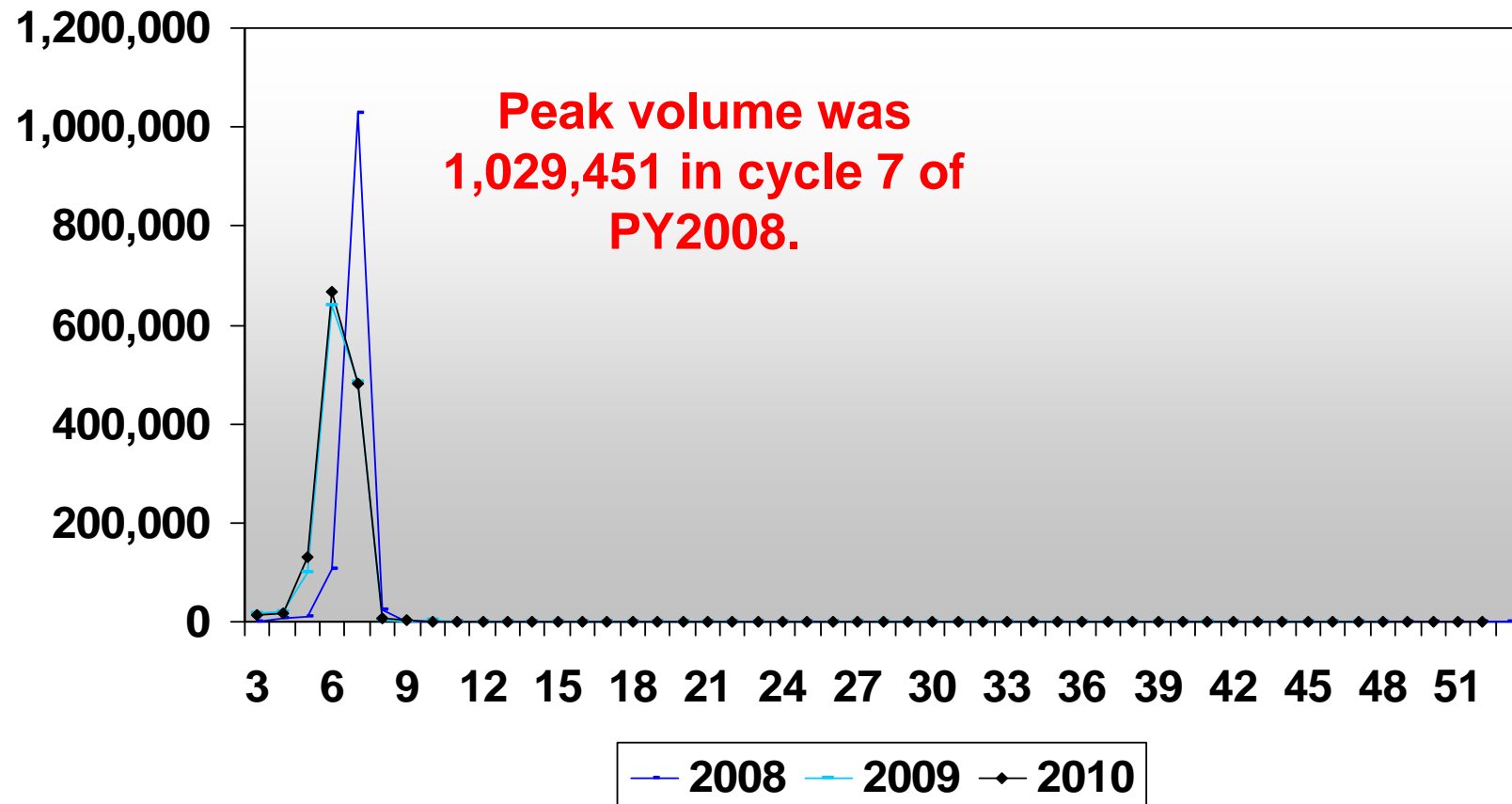
Source: 2010 ETA Marketing Database

Form 940 Filing Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

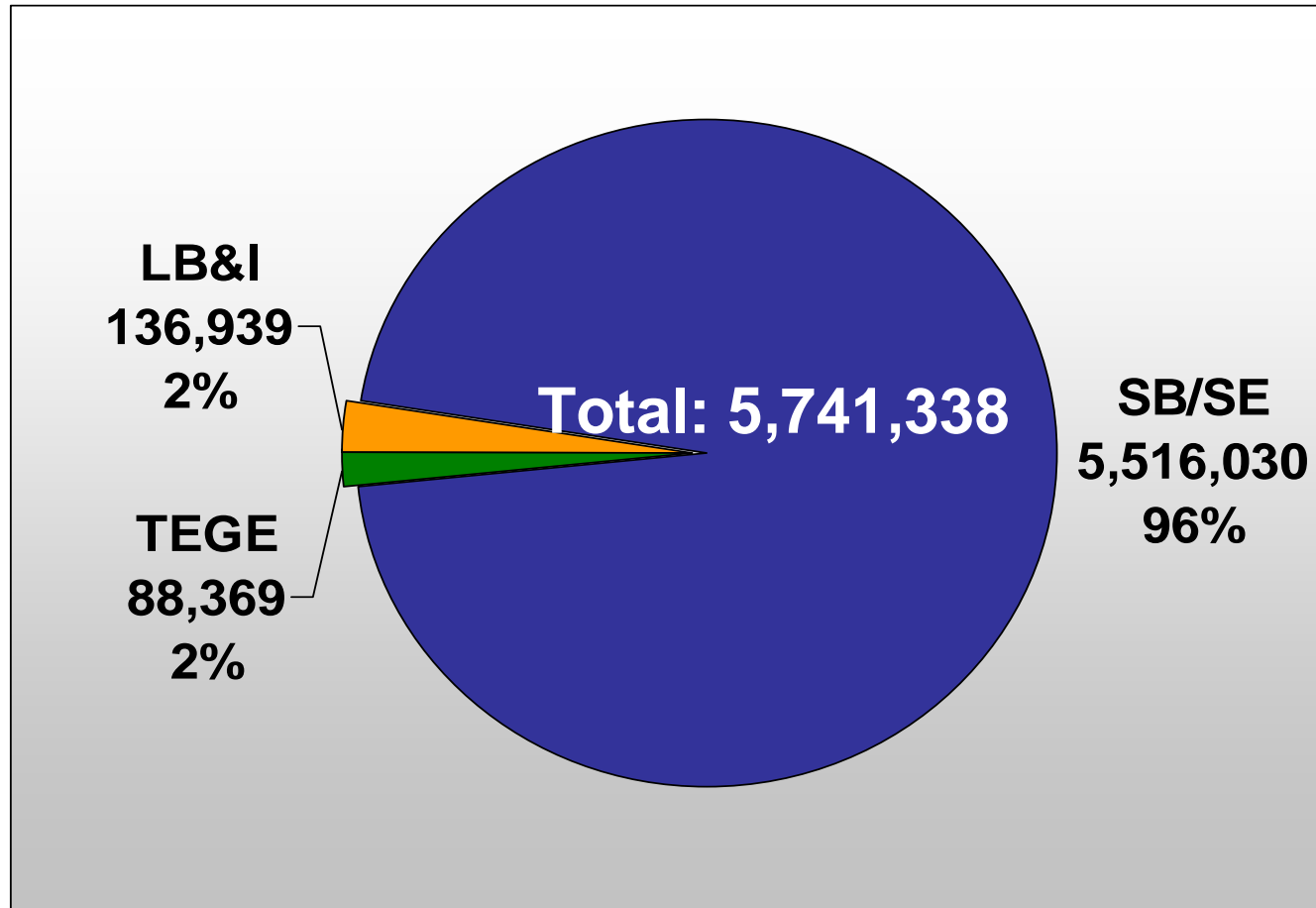
Form 940 e-file Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

Forms 940 by Business Operating Division

Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 940 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
722110	Full-Service Restaurants	151,638	3%
621111	Offices of Physicians (except mental health specialists)	143,644	3%
541990	All Other Professional, Scientific, & Technical Services	129,494	2%
238900	Other Specialty Trade Contractors	127,702	2%
541110	Offices of Lawyers	116,957	2%
236110	Residential Building Construction	98,043	2%
621210	Offices of Dentists	85,423	1%
524210	Insurance Agencies and Brokerages	84,950	1%
812990	All Other Personal Services	77,755	1%
722210	Limited-Service Eating Places	71,498	1%

* The percentage of all Form 940 returns filed in PY2010

Most e-filed Forms 940 by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
621111	Offices of Physicians (except mental health specialists)	47,731	4%
722110	Full-Service Restaurants	38,275	3%
541990	All Other Professional, Scientific, & Technical Services	36,702	3%
541110	Offices of Lawyers	34,366	3%
621210	Offices of Dentists	29,041	2%
524210	Insurance Agencies and Brokerages	24,430	2%
238900	Other Specialty Trade Contractors	23,931	2%
531390	Other Activities Related to Real Estate	18,330	1%
541600	Management, Scientific, & Technical Consulting Services	18,214	1%
541519	Other Computer Related Services	17,529	1%

*** The percentage of electronic Form 940 returns filed in PY2010**

Form 940 e-file Penetration by State

Processing Year 2010



Alaska (AK)	7%	Hawaii (HI)	17%	Maine (ME)	26%	New Jersey (NJ)	40%	South Dakota (SD)	4%
Alabama (AL)	12%	Iowa (IA)	5%	Michigan (MI)	18%	New Mexico (NM)	9%	Tennessee (TN)	14%
Arkansas (AR)	7%	Idaho (ID)	6%	Minnesota (MN)	25%	Nevada (NV)	26%	Texas (TX)	18%
Arizona (AZ)	28%	Illinois (IL)	21%	Missouri (MO)	14%	New York (NY)	30%	Utah (UT)	15%
California (CA)	35%	Indiana (IN)	16%	Mississippi (MS)	6%	Ohio (OH)	23%	Virginia (VA)	20%
Colorado (CO)	19%	Kansas (KS)	13%	Montana (MT)	4%	Oklahoma (OK)	10%	Vermont (VT)	18%
Connecticut (CT)	37%	Kentucky (KY)	13%	North Carolina (NC)	16%	Oregon (OR)	23%	Washington (WA)	17%
Delaware (DE)	29%	Louisiana (LA)	13%	North Dakota (ND)	3%	Pennsylvania (PA)	26%	Washington (DC)	46%
Florida (FL)	22%	Massachusetts (MA)	45%	Nebraska (NE)	9%	Rhode Island (RI)	46%	Wisconsin (WI)	16%
Georgia (GA)	21%	Maryland (MD)	29%	New Hampshire (NH)	29%	South Carolina (SC)	12%	West Virginia (WV)	5%
								Wyoming (WY)	4%

Source: 2010 ETA Marketing Database

Note that state color may appear incorrect due to rounding

Form 940 Returns Filed by State

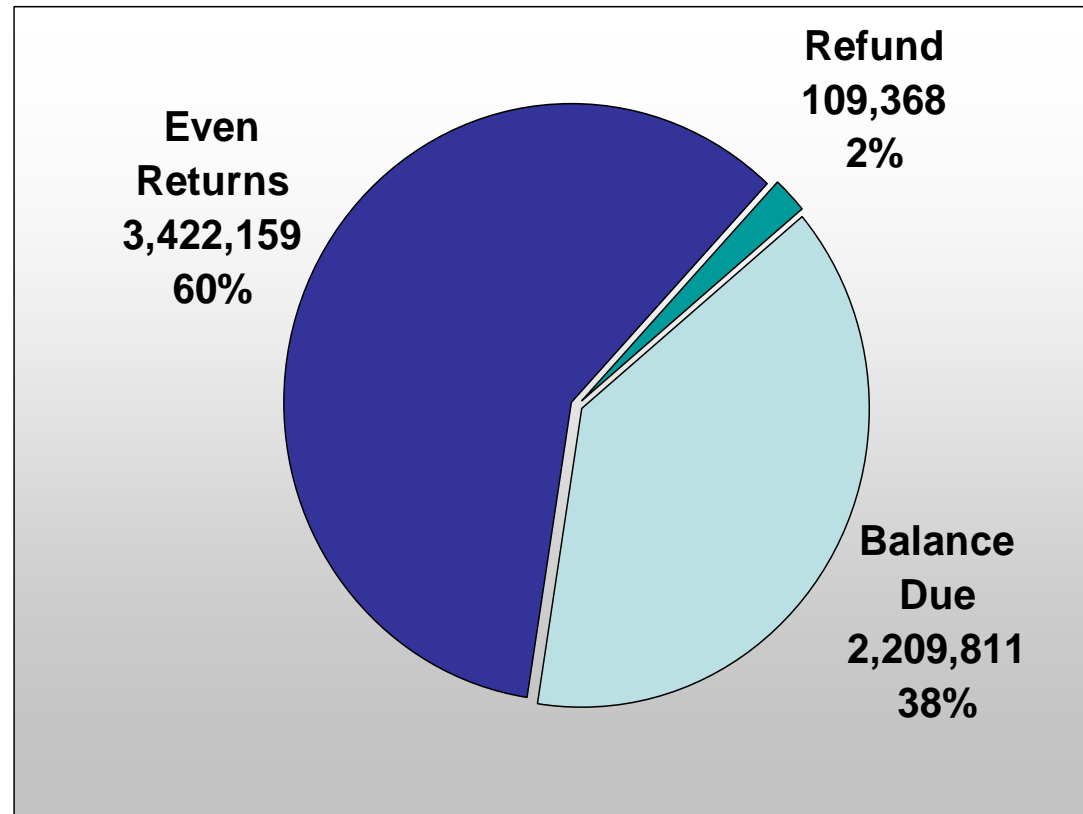
Processing Year 2010



Alaska (AK)	14,722	Hawaii (HI)	24,500	Maine (ME)	30,794	New Jersey (NJ)	192,026	South Dakota (SD)	19,325
Alabama (AL)	68,067	Iowa (IA)	57,837	Michigan (MI)	169,909	New Mexico (NM)	33,275	Tennessee (TN)	88,607
Arkansas (AR)	47,063	Idaho (ID)	36,662	Minnesota (MN)	114,160	Nevada (NV)	44,409	Texas (TX)	377,525
Arizona (AZ)	102,274	Illinois (IL)	247,249	Missouri (MO)	116,219	New York (NY)	434,950	Utah (UT)	58,598
California (CA)	702,752	Indiana (IN)	102,495	Mississippi (MS)	40,737	Ohio (OH)	181,556	Virginia (VA)	138,953
Colorado (CO)	121,572	Kansas (KS)	54,847	Montana (MT)	29,653	Oklahoma (OK)	66,712	Vermont (VT)	16,538
Connecticut (CT)	68,478	Kentucky (KY)	62,968	North Carolina (NC)	159,186	Oregon (OR)	84,254	Washington (WA)	138,903
Delaware (DE)	17,826	Louisiana (LA)	75,950	North Dakota (ND)	15,702	Pennsylvania (PA)	218,534	Washington (DC)	11,241
Florida (FL)	403,892	Massachusetts (MA)	131,012	Nebraska (NE)	37,854	Rhode Island (RI)	23,594	Wisconsin (WI)	105,541
Georgia (GA)	164,930	Maryland (MD)	101,877	New Hampshire (NH)	27,518	South Carolina (SC)	73,259	West Virginia (WV)	25,556
								Wyoming (WY)	15,976

Source: 2010 ETA Marketing Database

Forms 940 by Balance Due & Overpayment Processing Year 2010



Total: 5,741,338

Form 940 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2010	\$421	\$274

Form 940 Summary (PY2010)

- **Form 940 *e-file* penetration rate is 21% projected to be 27% by CY2017.**
- **77% of all Form 940 taxpayers are enrolled in EFTPS and 58% are making electronic payments.**

508 Accessible Table for Slide 21 – Forms 940 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	14,722	Illinois (IL)	247,249	North Carolina (NC)	159,186	South Carolina (SC)	73,259
Alabama (AL)	68,067	Indiana (IN)	102,495	North Dakota (ND)	15,702	South Dakota (SD)	19,325
Arkansas (AR)	47,063	Kansas (KS)	54,847	Nebraska (NE)	37,854	Tennessee (TN)	88,607
Arizona (AZ)	102,274	Kentucky (KY)	62,968	New Hampshire (NH)	27,518	Texas (TX)	377,525
California (CA)	702,752	Louisiana (LA)	75,950	New Jersey (NJ)	192,026	Utah (UT)	58,598
Colorado (CO)	121,572	Massachusetts (MA)	131,012	New Mexico (NM)	33,275	Virginia (VA)	138,953
Connecticut (CT)	68,478	Maryland (MD)	101,877	Nevada (NV)	44,409	Vermont (VT)	16,538
Delaware (DE)	17,826	Maine (ME)	30,794	New York (NY)	434,950	Washington (WA)	138,903
Florida (FL)	403,892	Michigan (MI)	169,909	Ohio (OH)	181,556	Washington (DC)	11,241
Georgia (GA)	164,930	Minnesota (MN)	114,160	Oklahoma (OK)	66,712	Wisconsin (WI)	105,541
Hawaii (HI)	24,500	Missouri (MO)	116,219	Oregon (OR)	84,254	West Virginia (WV)	25,556
Iowa (IA)	57,837	Mississippi (MS)	40,737	Pennsylvania (PA)	218,534	Wyoming (WY)	15,976
Idaho (ID)	36,662	Montana (MT)	29,653	Rhode Island (RI)	23,594		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 22 – Forms 940 e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	7%	Illinois (IL)	21%	North Carolina (NC)	16%	South Carolina (SC)	12%
Alabama (AL)	12%	Indiana (IN)	16%	North Dakota (ND)	3%	South Dakota (SD)	4%
Arkansas (AR)	7%	Kansas (KS)	13%	Nebraska (NE)	9%	Tennessee (TN)	14%
Arizona (AZ)	28%	Kentucky (KY)	13%	New Hampshire (NH)	29%	Texas (TX)	18%
California (CA)	35%	Louisiana (LA)	13%	New Jersey (NJ)	40%	Utah (UT)	15%
Colorado (CO)	19%	Massachusetts (MA)	45%	New Mexico (NM)	9%	Virginia (VA)	20%
Connecticut (CT)	37%	Maryland (MD)	29%	Nevada (NV)	26%	Vermont (VT)	18%
Delaware (DE)	29%	Maine (ME)	26%	New York (NY)	30%	Washington (WA)	17%
Florida (FL)	22%	Michigan (MI)	18%	Ohio (OH)	23%	Washington (DC)	46%
Georgia (GA)	21%	Minnesota (MN)	25%	Oklahoma (OK)	10%	Wisconsin (WI)	16%
Hawaii (HI)	17%	Missouri (MO)	14%	Oregon (OR)	23%	West Virginia (WV)	5%
Iowa (IA)	5%	Mississippi (MS)	6%	Pennsylvania (PA)	26%	Wyoming (WY)	4%
Idaho (ID)	6%	Montana (MT)	4%	Rhode Island (RI)	46%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 941**

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 941 for
Processing Year (PY) 2010

Acknowledgements

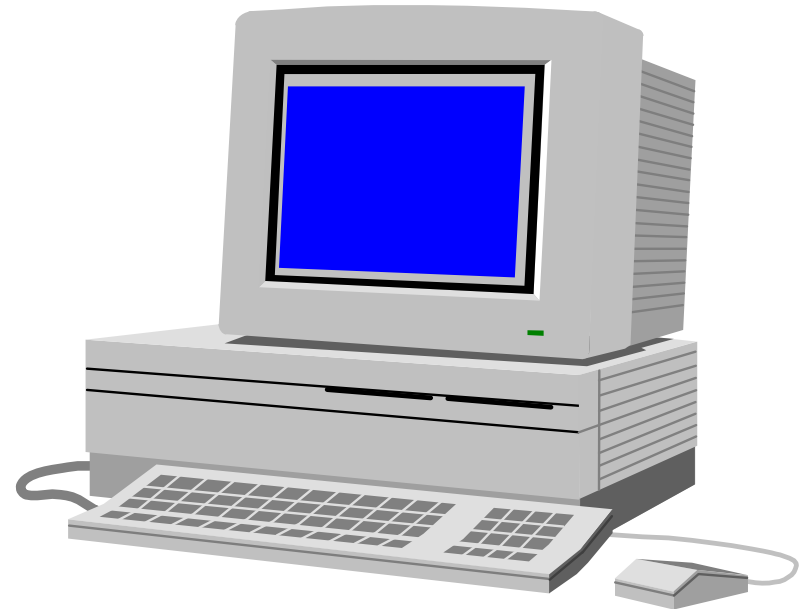
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains information on all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



Form 941 Filers

Employer's Quarterly Federal Tax Return

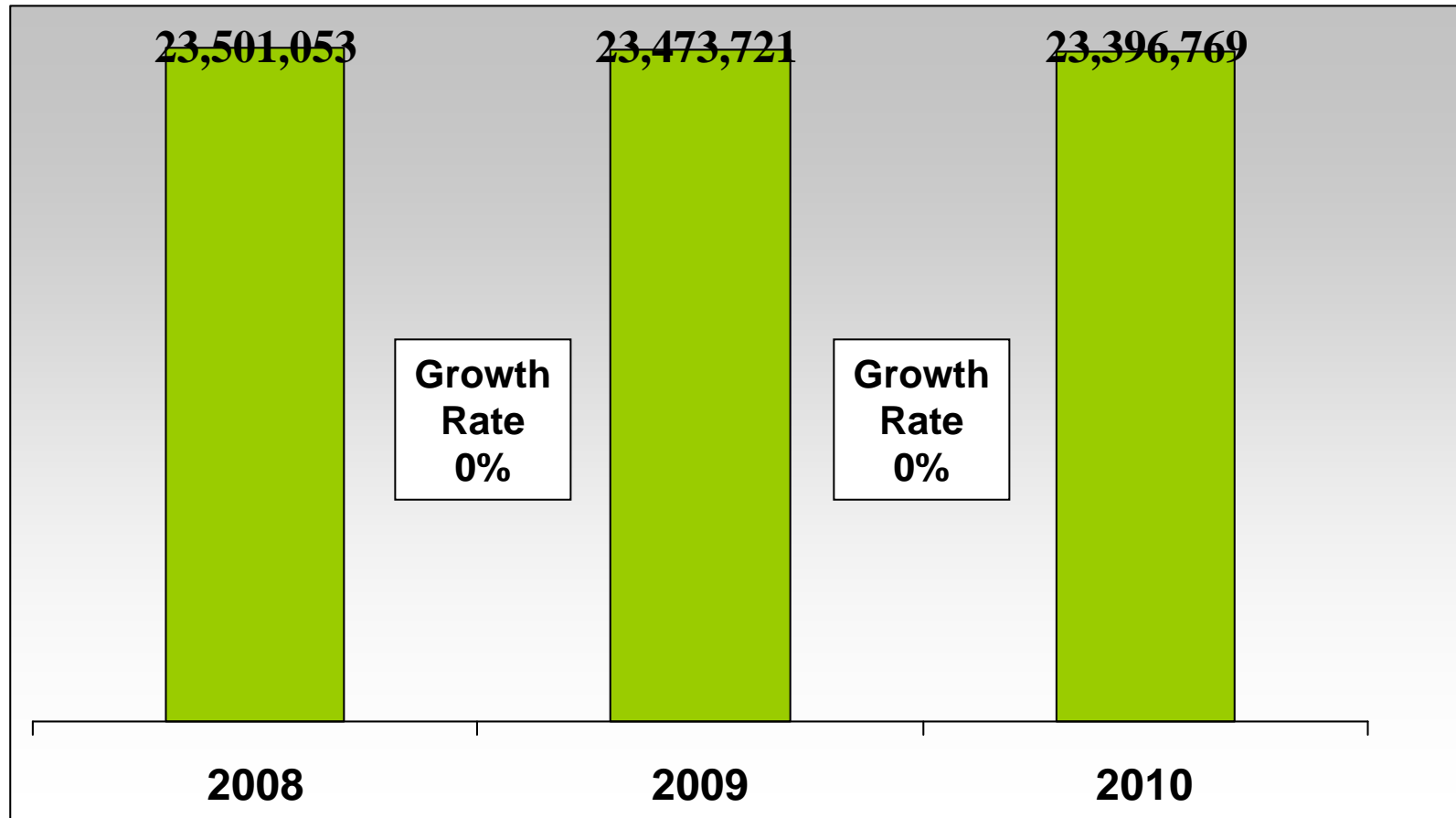
Processing Year 2010



Form 941

Annual Filing Volume

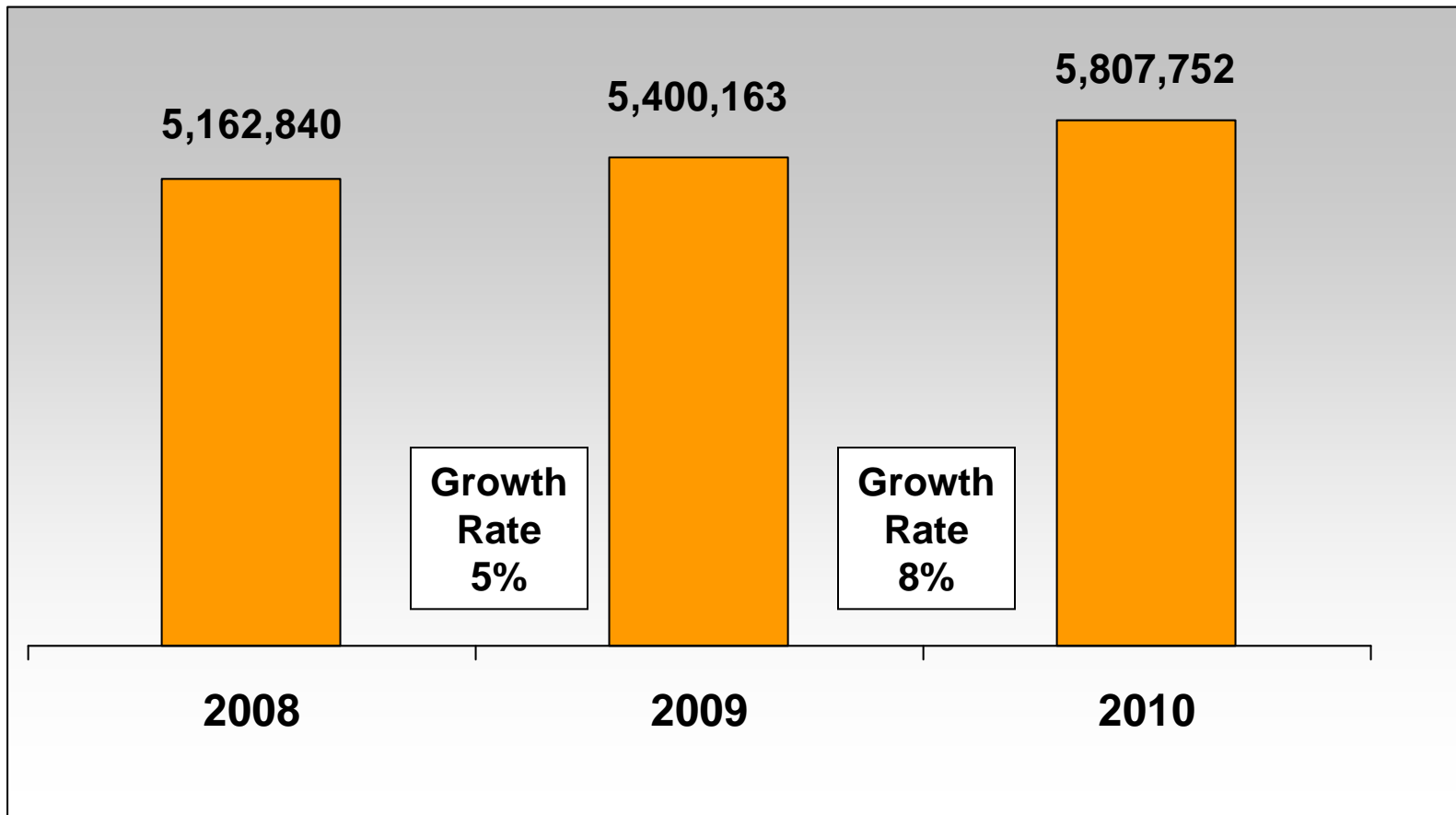
Processing Years 2008 - 2010



Source: 2010 ETA Marketing Database

Form 941 Annual e-Filing Volume

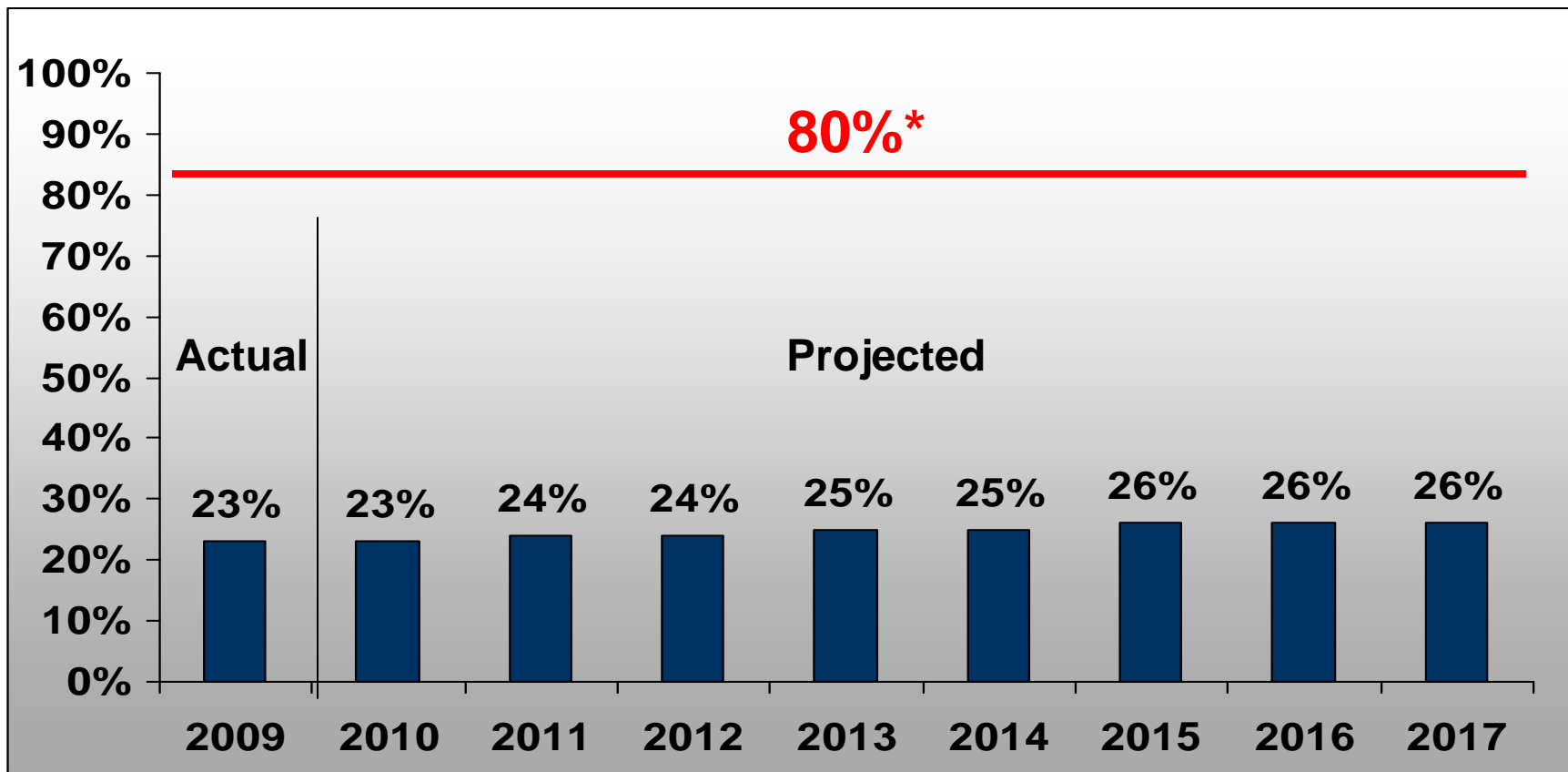
Processing Years 2008-2010



Source: 2010 ETA Marketing Database

**In Processing Year
2010, 25% of all Forms
941 were filed
electronically.**

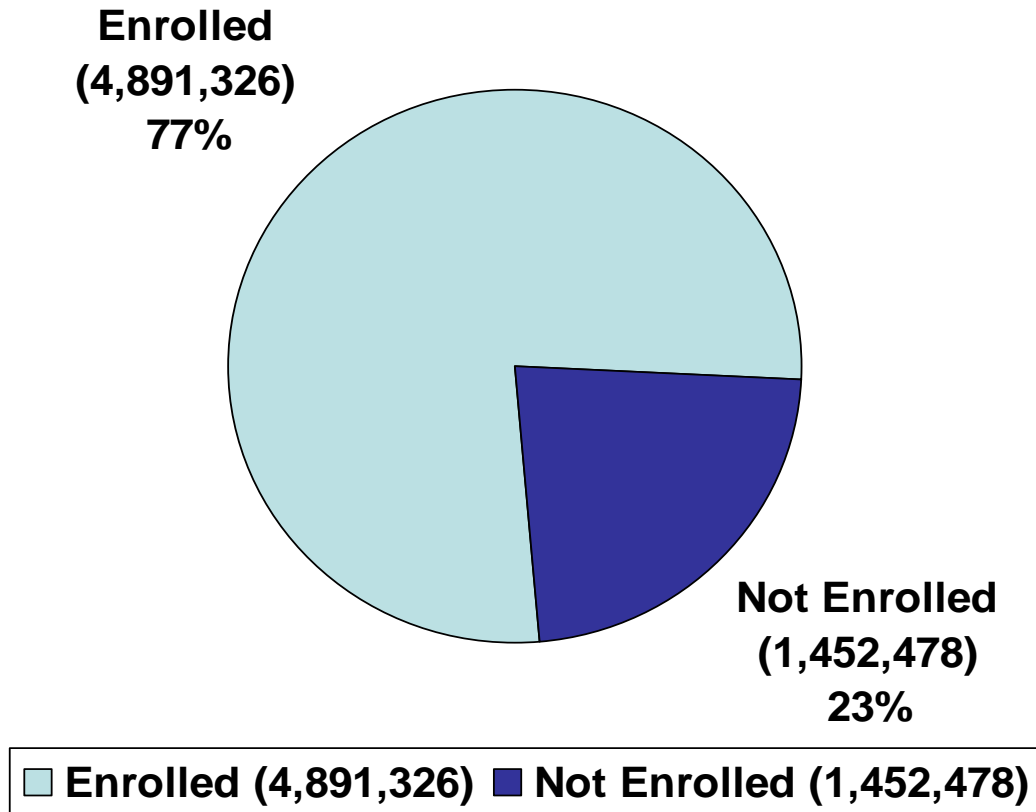
Form 941 Projected *e-file* Penetration Rate



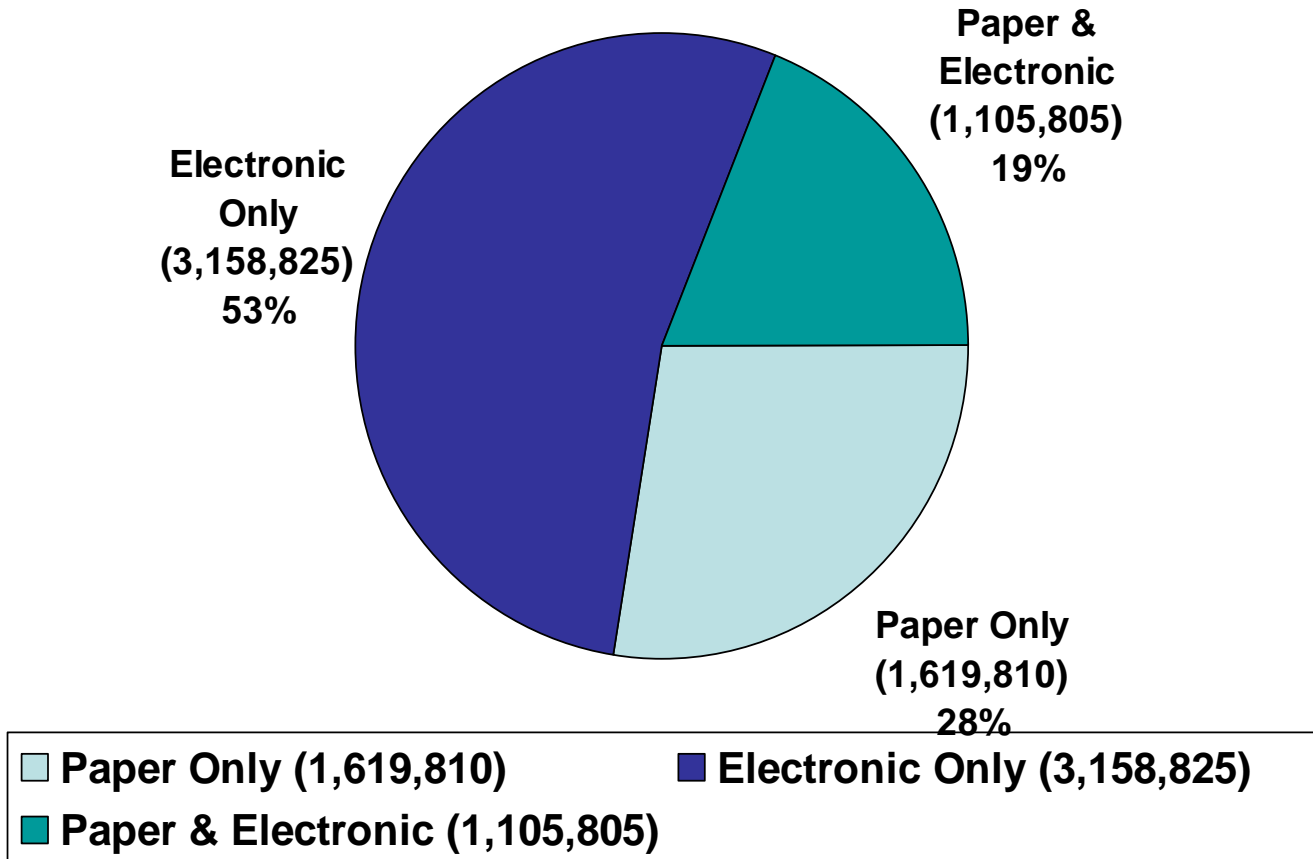
Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

Form 941 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



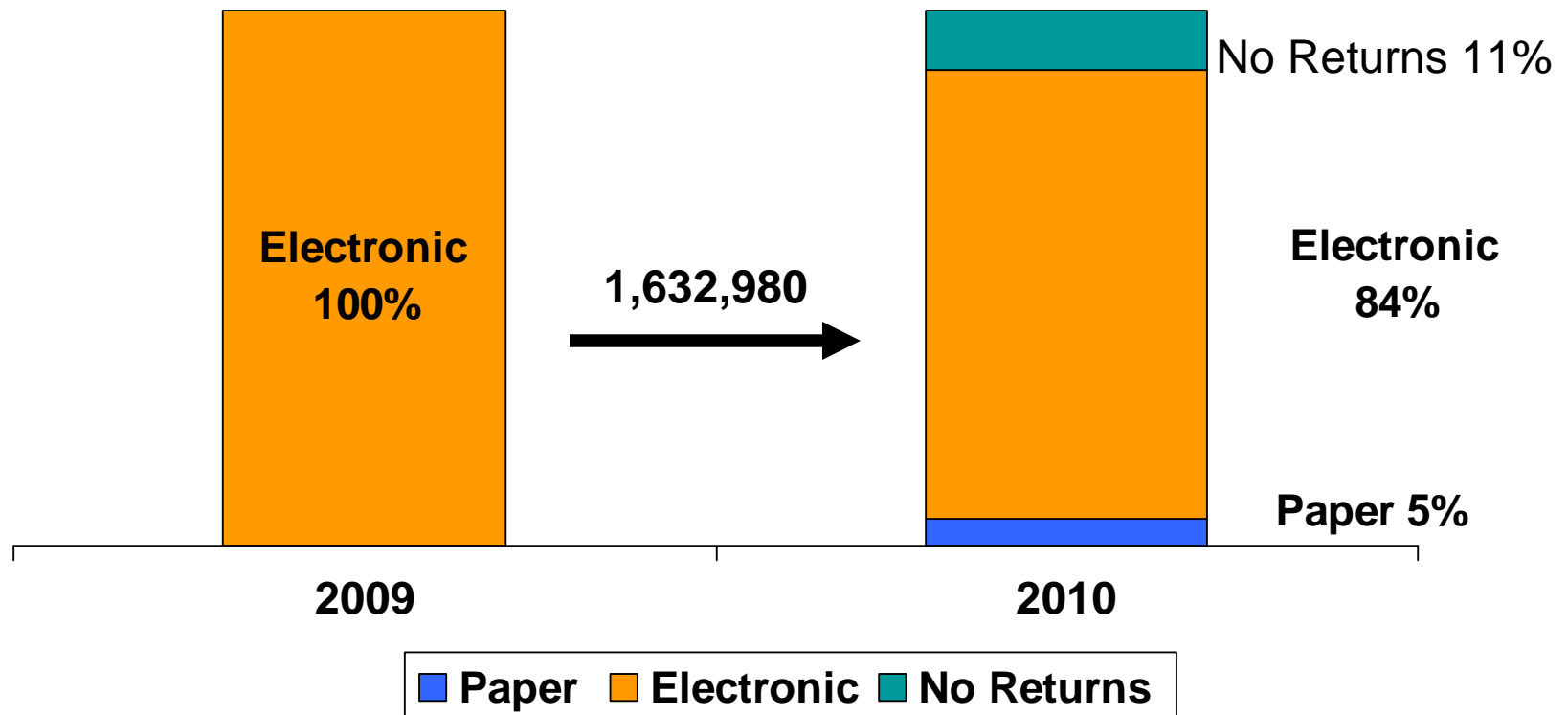
Payment Method Used by Form 941 Taxpayers Making Form 941 Payments Processing Year 2010



Source: 2010 ETA Marketing Database

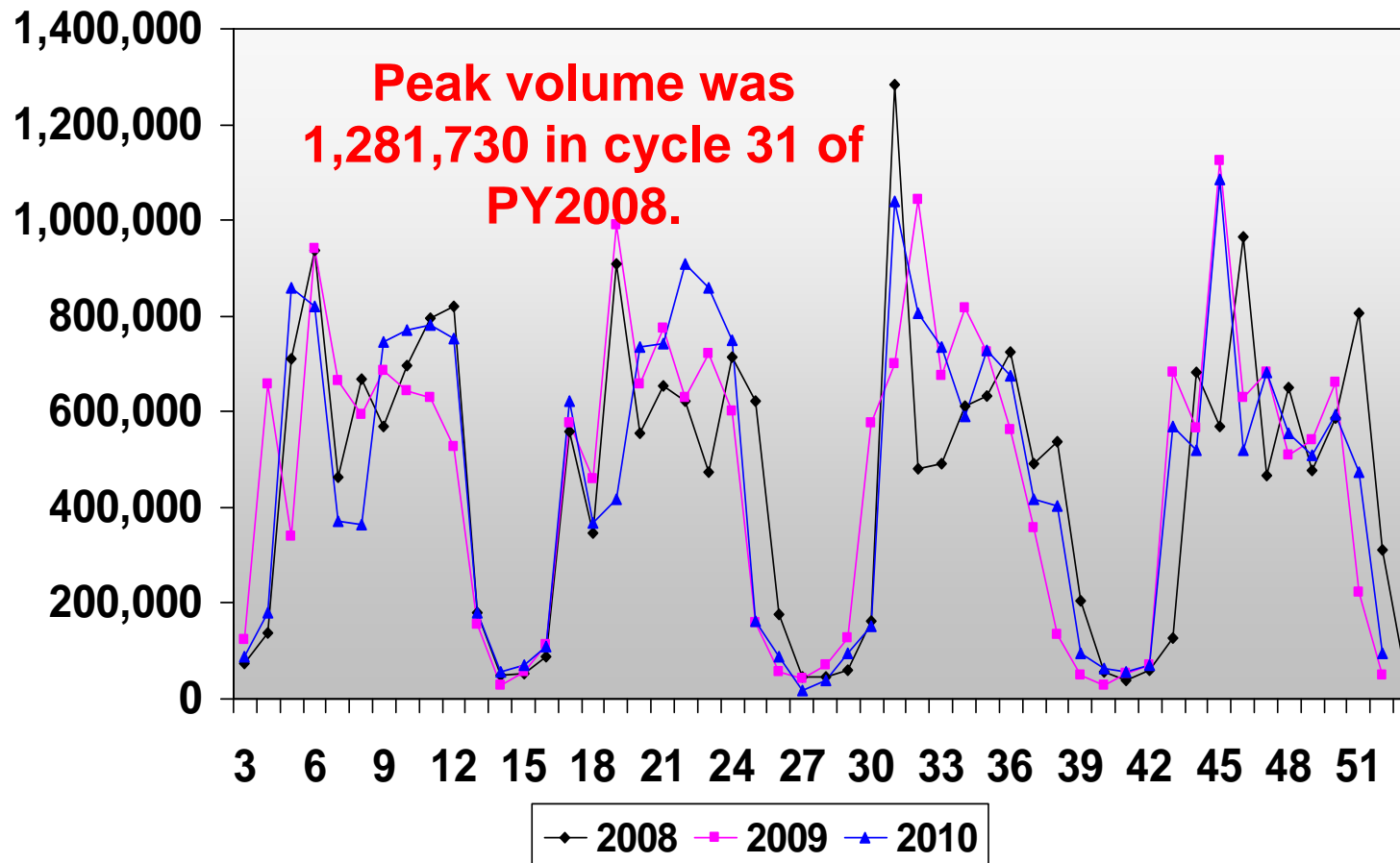
Form 941 *e-file* Loyalty

84% of PY2009 Form 941 Electronic filers, e-filed in PY2010



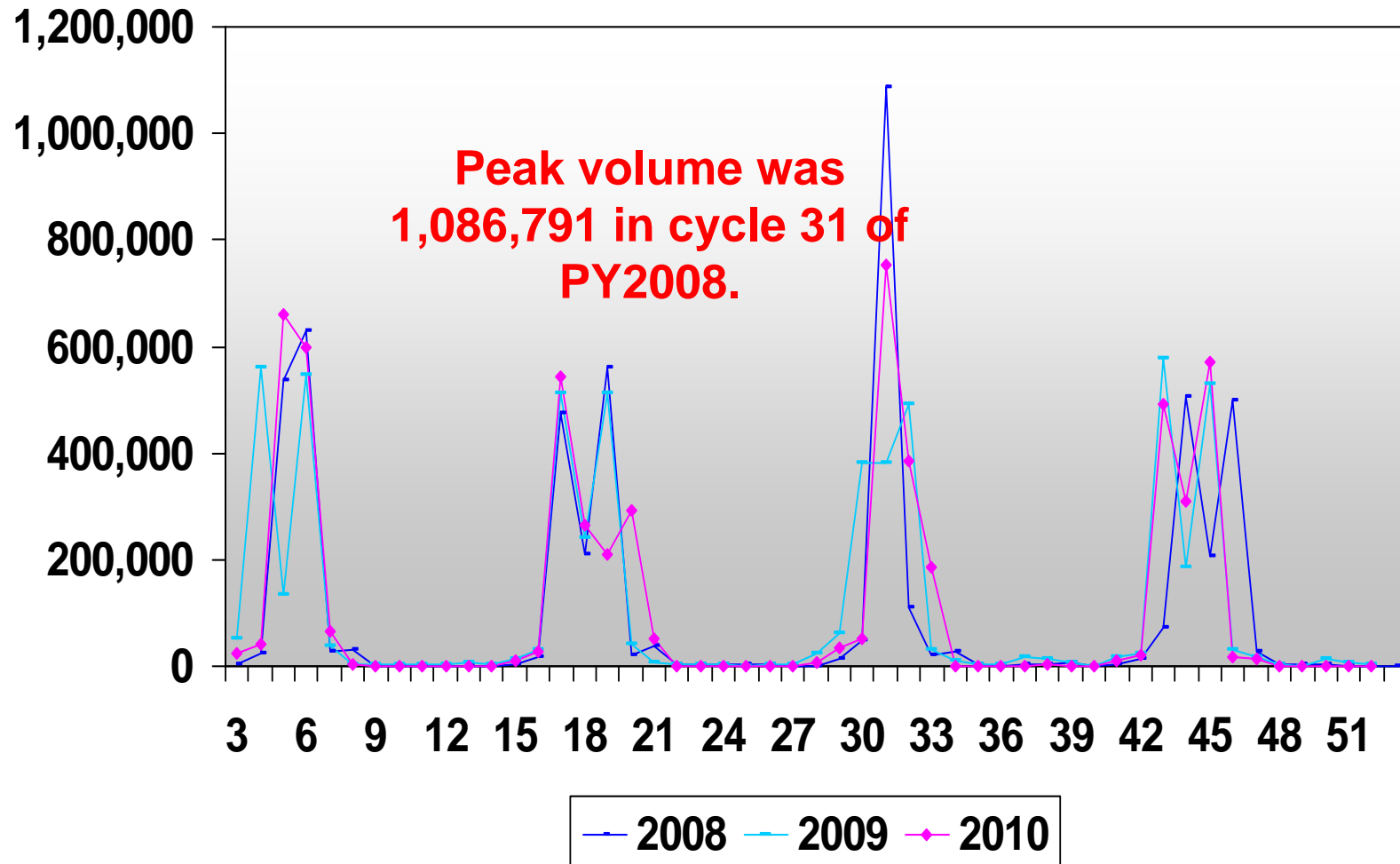
Source: 2010 ETA Marketing Database

Form 941 Filing Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

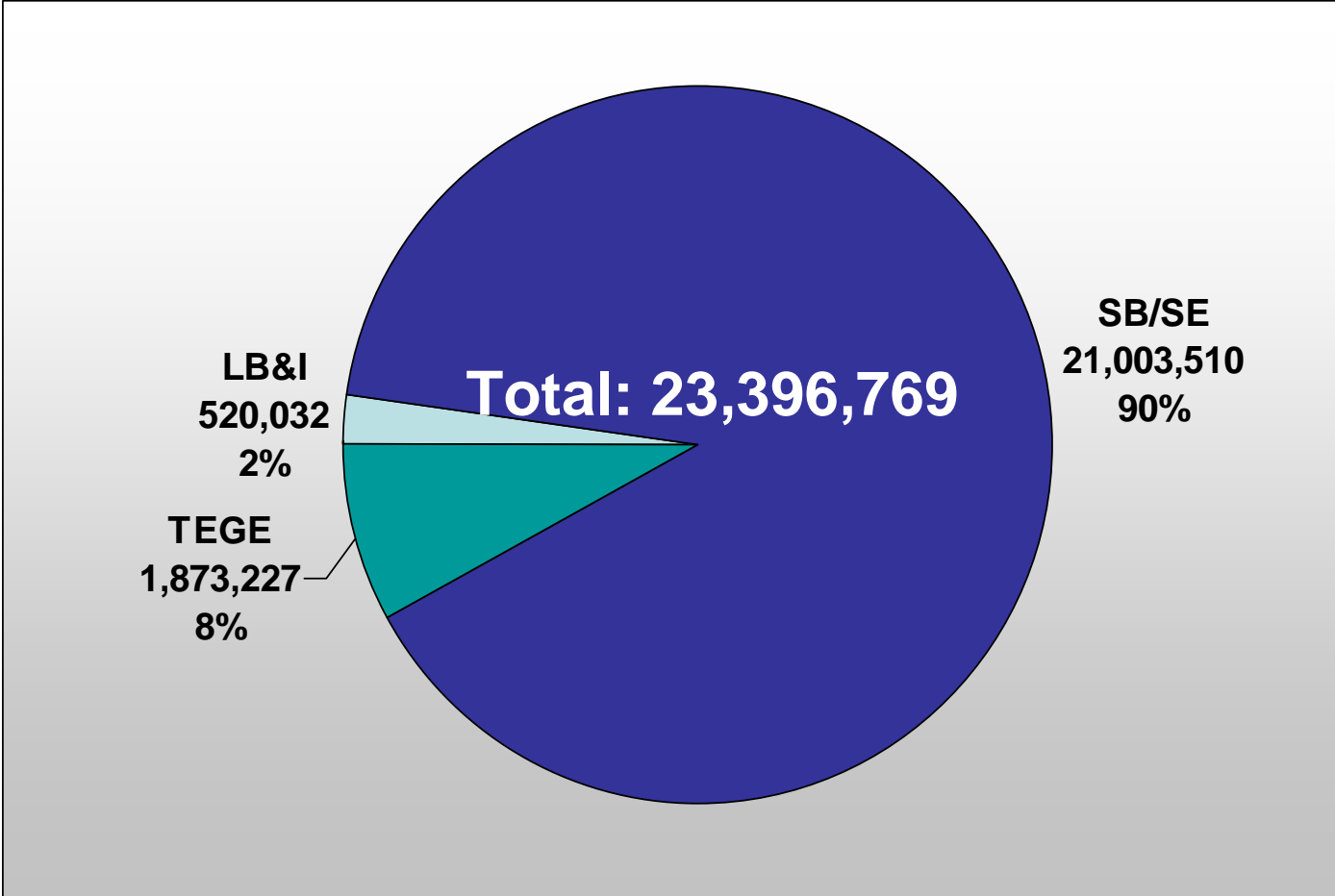
Form 941 e-file Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

Forms 941 by Business Operating Division

Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 941 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
722110	Full-Service Restaurants	582,006	2%
621111	Offices of Physicians (except mental health specialists)	565,962	2%
541990	All Other Professional, Scientific, & Technical Services	491,068	2%
238900	Other Specialty Trade Contractors	483,676	2%
541110	Offices of Lawyers	464,734	2%
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	464,632	2%
236110	Residential Building Construction	364,567	2%
621210	Offices of Dentists	340,471	1%
524210	Insurance Agencies and Brokerages	335,326	1%
812990	All Other Personal Services	289,752	1%

*** The percentage of all Form 941 returns filed in PY2010**

Most e-filed Forms 941 by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
621111	Offices of Physicians (except mental health specialists)	194,351	3%
722110	Full-Service Restaurants	155,290	3%
541990	All Other Professional, Scientific, & Technical Services	145,273	3%
541110	Offices of Lawyers	140,773	2%
621210	Offices of Dentists	120,564	2%
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	115,000	2%
524210	Insurance Agencies and Brokerages	101,529	2%
238900	Other Specialty Trade Contractors	94,203	2%
611000	Educational Services (including schools, colleges, & universities)	90,358	2%
541600	Management, Scientific, & Technical Consulting Services	74,118	1%

*** The percentage of electronic Form 941 returns filed in PY2010**

Form 941 Returns Filed by State

Processing Year 2010



Alaska (AK)	62,427	Hawaii (HI)	97,748	Maine (ME)	129,746	New Jersey (NJ)	770,102	South Dakota (SD)	81,878
Alabama (AL)	291,586	Iowa (IA)	242,071	Michigan (MI)	700,655	New Mexico (NM)	136,610	Tennessee (TN)	373,749
Arkansas (AR)	197,154	Idaho (ID)	143,204	Minnesota (MN)	471,089	Nevada (NV)	173,147	Texas (TX)	1,534,331
Arizona (AZ)	403,693	Illinois (IL)	1,020,651	Missouri (MO)	474,600	New York (NY)	1,747,742	Utah (UT)	226,983
California (CA)	2,729,366	Indiana (IN)	432,063	Mississippi (MS)	174,567	Ohio (OH)	760,430	Virginia (VA)	578,903
Colorado (CO)	490,534	Kansas (KS)	231,267	Montana (MT)	120,915	Oklahoma (OK)	283,323	Vermont (VT)	72,226
Connecticut (CT)	283,737	Kentucky (KY)	268,008	North Carolina (NC)	664,111	Oregon (OR)	337,582	Washington (WA)	558,191
Delaware (DE)	71,953	Louisiana (LA)	319,741	North Dakota (ND)	68,602	Pennsylvania (PA)	913,678	Washington (DC)	55,925
Florida (FL)	1,595,857	Massachusetts (MA)	542,062	Nebraska (NE)	160,378	Rhode Island (RI)	92,871	Wisconsin (WI)	436,030
Georgia (GA)	672,772	Maryland (MD)	418,205	New Hampshire (NH)	115,076	South Carolina (SC)	306,576	West Virginia (WV)	112,933
								Wyoming (WY)	66,583

Source: 2010 ETA Marketing Database

Form 941 e-file Penetration by State

Processing Year 2010

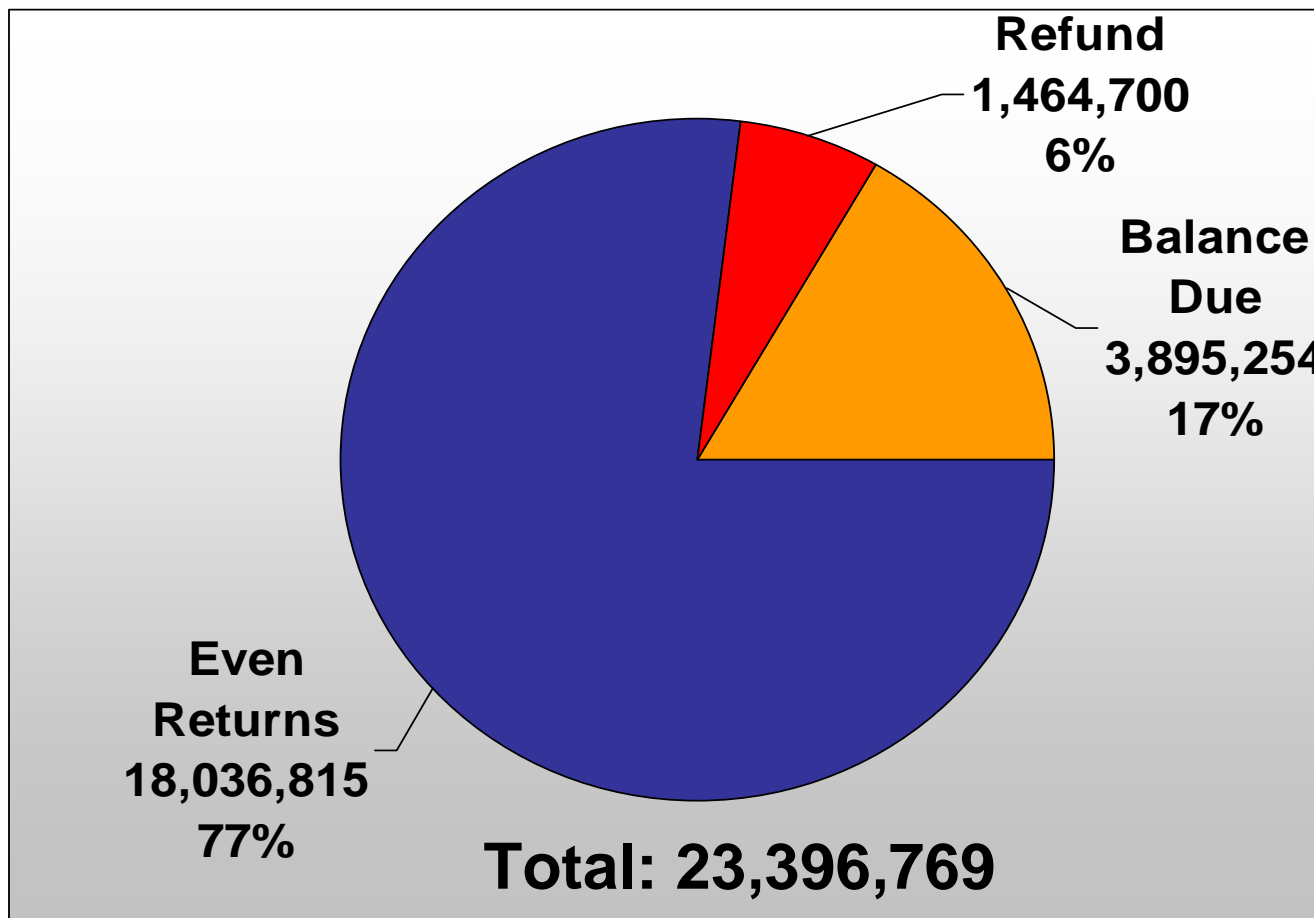


Alaska (AK)	8%	Hawaii (HI)	20%	Maine (ME)	26%	New Jersey (NJ)	43%	South Dakota (SD)	4%
Alabama (AL)	13%	Iowa (IA)	6%	Michigan (MI)	21%	New Mexico (NM)	11%	Tennessee (TN)	16%
Arkansas (AR)	8%	Idaho (ID)	6%	Minnesota (MN)	26%	Nevada (NV)	28%	Texas (TX)	20%
Arizona (AZ)	30%	Illinois (IL)	23%	Missouri (MO)	15%	New York (NY)	32%	Utah (UT)	17%
California (CA)	38%	Indiana (IN)	18%	Mississippi (MS)	7%	Ohio (OH)	25%	Virginia (VA)	23%
Colorado (CO)	20%	Kansas (KS)	14%	Montana (MT)	5%	Oklahoma (OK)	11%	Vermont (VT)	18%
Connecticut (CT)	39%	Kentucky (KY)	14%	North Carolina (NC)	17%	Oregon (OR)	25%	Washington (WA)	19%
Delaware (DE)	31%	Louisiana (LA)	15%	North Dakota (ND)	4%	Pennsylvania (PA)	28%	Washington (DC)	54%
Florida (FL)	24%	Massachusetts (MA)	47%	Nebraska (NE)	10%	Rhode Island (RI)	50%	Wisconsin (WI)	18%
Georgia (GA)	23%	Maryland (MD)	32%	New Hampshire (NH)	29%	South Carolina (SC)	14%	West Virginia (WV)	7%
								Wyoming (WY)	5%

Source: 2010 ETA Marketing Database

Note that state color may appear incorrect due to rounding

Forms 941 by Balance Due & Overpayment Processing Year 2010



Form 941 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$3,036	\$4,023
2010	\$30,380	\$3,644

Form 941 Summary (PY2009)

- **Form 941 *e-file* penetration rate is 23% projected to be 26% by Calendar Year 2017.**
- **77% of all Form 941 taxpayers are enrolled in EFTPS and 72% of the taxpayers who made F941 payments, made them electronically.**

508 Accessible Table for Slide 20 – Forms 941 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	62,427	Illinois (IL)	1,020,651	North Carolina (NC)	664,111	South Carolina (SC)	306,576
Alabama (AL)	291,586	Indiana (IN)	432,063	North Dakota (ND)	68,602	South Dakota (SD)	81,878
Arkansas (AR)	197,154	Kansas (KS)	231,267	Nebraska (NE)	160,378	Tennessee (TN)	373,749
Arizona (AZ)	403,693	Kentucky (KY)	268,008	New Hampshire (NH)	115,076	Texas (TX)	1,534,331
California (CA)	2,729,366	Louisiana (LA)	319,741	New Jersey (NJ)	770,102	Utah (UT)	226,983
Colorado (CO)	490,534	Massachusetts (MA)	542,062	New Mexico (NM)	136,610	Virginia (VA)	578,903
Connecticut (CT)	283,737	Maryland (MD)	418,205	Nevada (NV)	173,147	Vermont (VT)	72,226
Delaware (DE)	71,953	Maine (ME)	129,746	New York (NY)	1,747,742	Washington (WA)	558,191
Florida (FL)	1,595,857	Michigan (MI)	700,655	Ohio (OH)	760,430	Washington (DC)	55,925
Georgia (GA)	672,772	Minnesota (MN)	471,089	Oklahoma (OK)	283,323	Wisconsin (WI)	436,030
Hawaii (HI)	97,748	Missouri (MO)	474,600	Oregon (OR)	337,582	West Virginia (WV)	112,933
Iowa (IA)	242,071	Mississippi (MS)	174,567	Pennsylvania (PA)	913,678	Wyoming (WY)	66,583
Idaho (ID)	143,204	Montana (MT)	120,915	Rhode Island (RI)	92,871		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 21 – Forms 941 e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	8%	Illinois (IL)	23%	North Carolina (NC)	17%	South Carolina (SC)	14%
Alabama (AL)	13%	Indiana (IN)	18%	North Dakota (ND)	4%	South Dakota (SD)	4%
Arkansas (AR)	8%	Kansas (KS)	14%	Nebraska (NE)	10%	Tennessee (TN)	16%
Arizona (AZ)	30%	Kentucky (KY)	14%	New Hampshire (NH)	29%	Texas (TX)	20%
California (CA)	38%	Louisiana (LA)	15%	New Jersey (NJ)	43%	Utah (UT)	17%
Colorado (CO)	20%	Massachusetts (MA)	47%	New Mexico (NM)	11%	Virginia (VA)	23%
Connecticut (CT)	39%	Maryland (MD)	32%	Nevada (NV)	28%	Vermont (VT)	18%
Delaware (DE)	31%	Maine (ME)	26%	New York (NY)	32%	Washington (WA)	19%
Florida (FL)	24%	Michigan (MI)	21%	Ohio (OH)	25%	Washington (DC)	54%
Georgia (GA)	23%	Minnesota (MN)	26%	Oklahoma (OK)	11%	Wisconsin (WI)	18%
Hawaii (HI)	29%	Missouri (MO)	15%	Oregon (OR)	25%	West Virginia (WV)	7%
Iowa (IA)	6%	Mississippi (MS)	7%	Pennsylvania (PA)	28%	Wyoming (WY)	5%
Idaho (ID)	6%	Montana (MT)	5%	Rhode Island (RI)	50%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 943**

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 943 for
Processing Year (PY) 2010

Acknowledgements

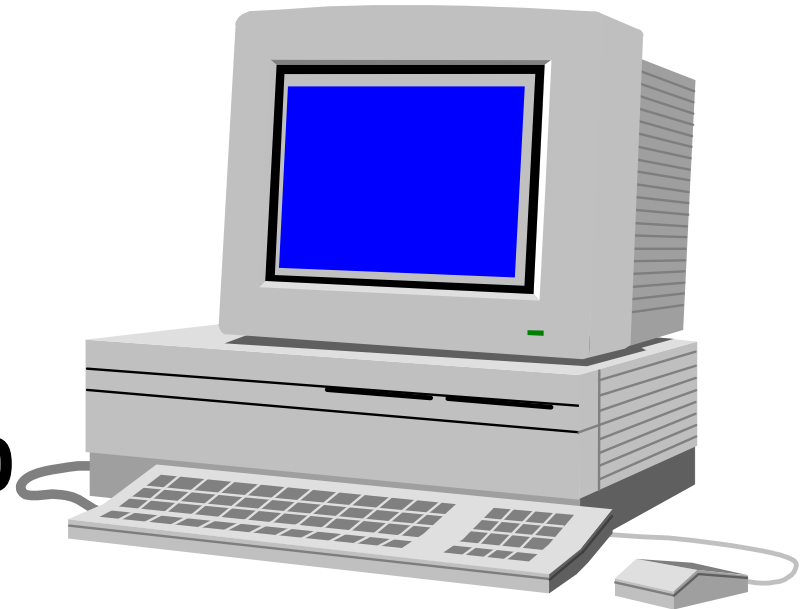
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



Form 943 Filers

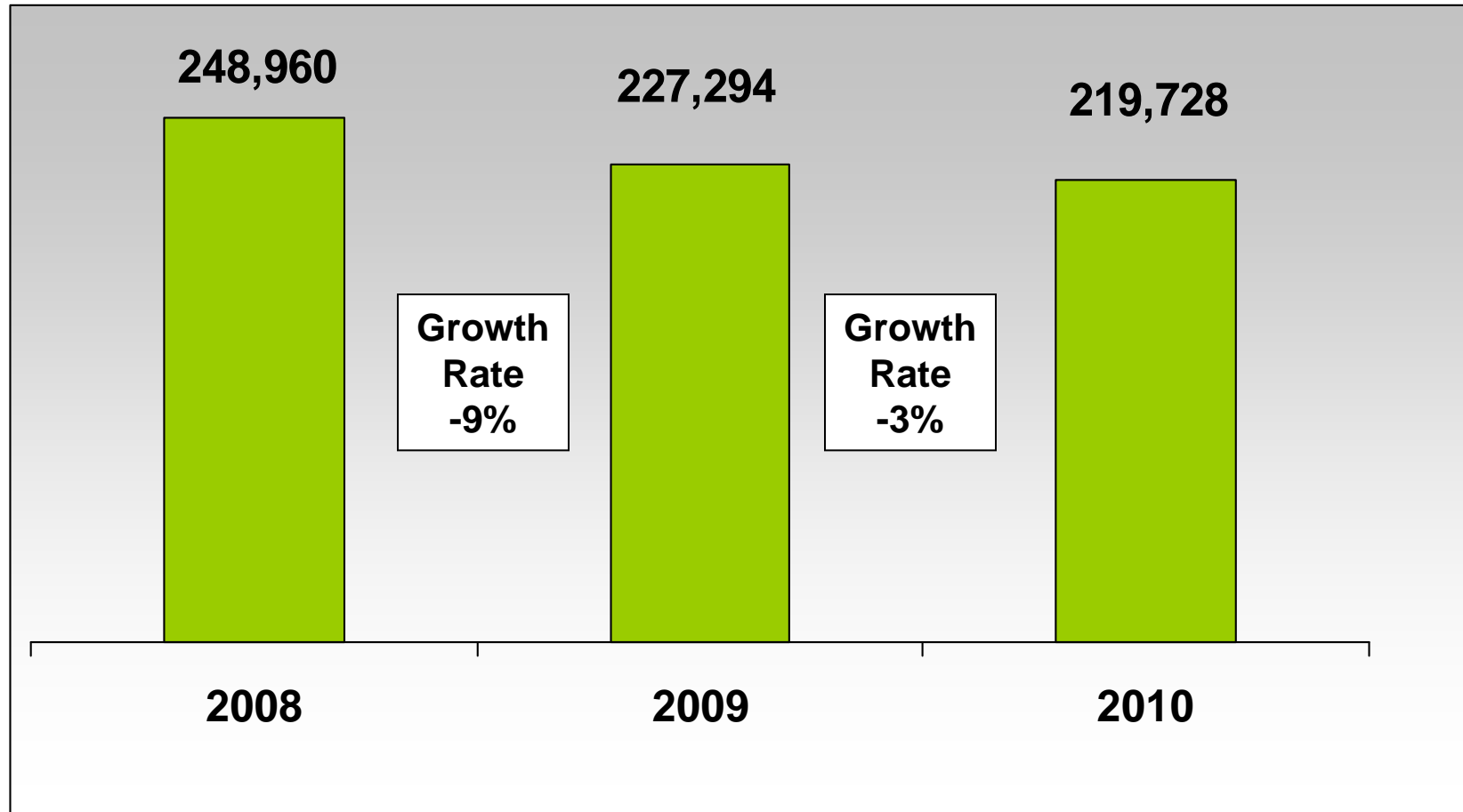
Employer's Annual Federal Tax Return for Agricultural Employees

Processing Year 2010



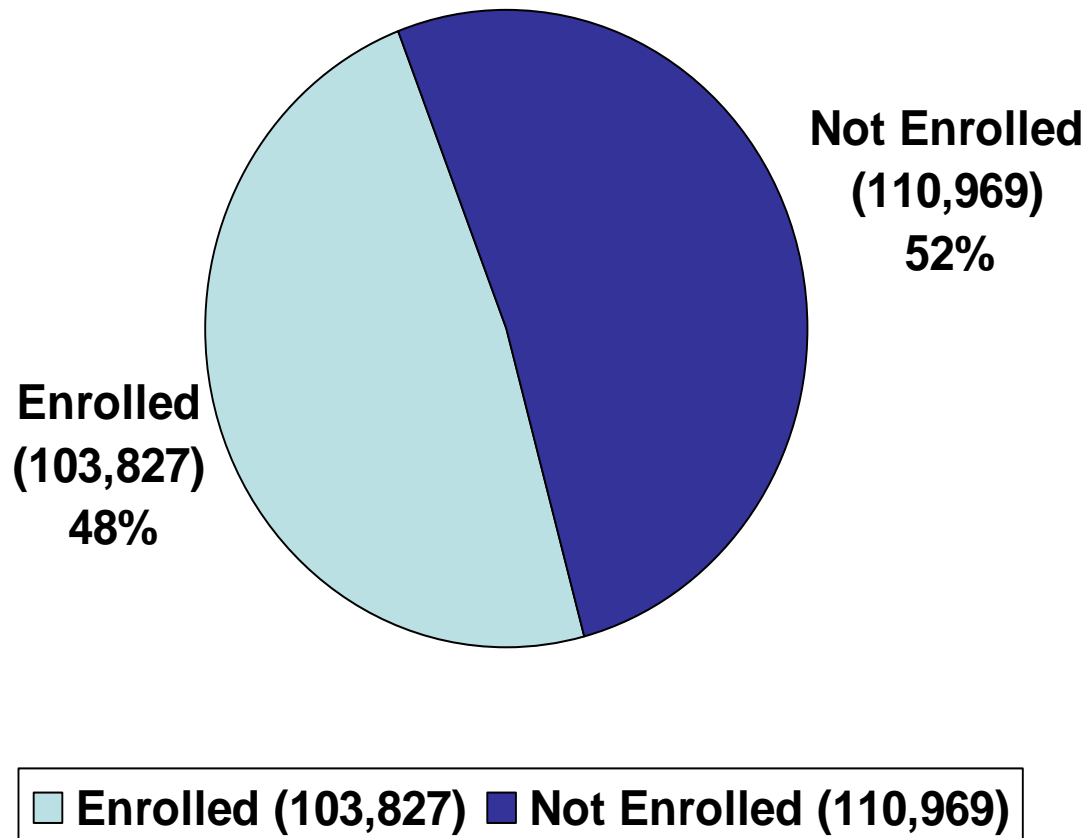
Form 943 Annual Filing Volume

Processing Years 2008-2010



Source: 2010 ETA Marketing Database

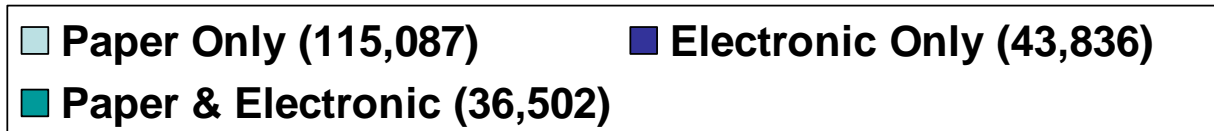
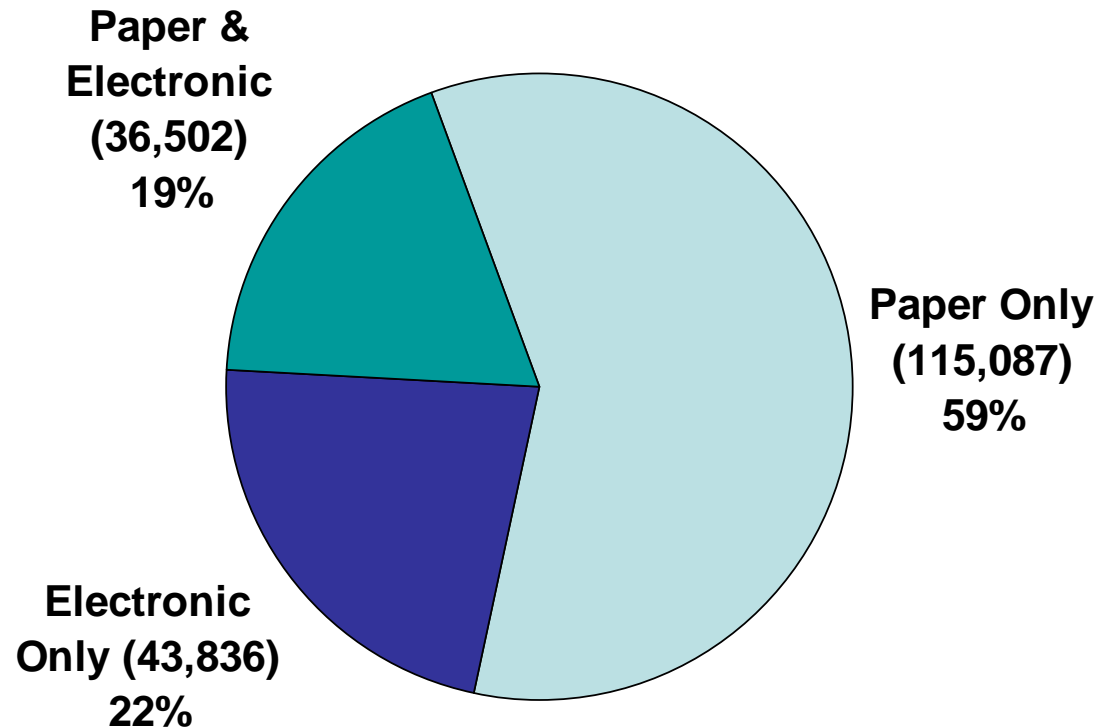
Form 943 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



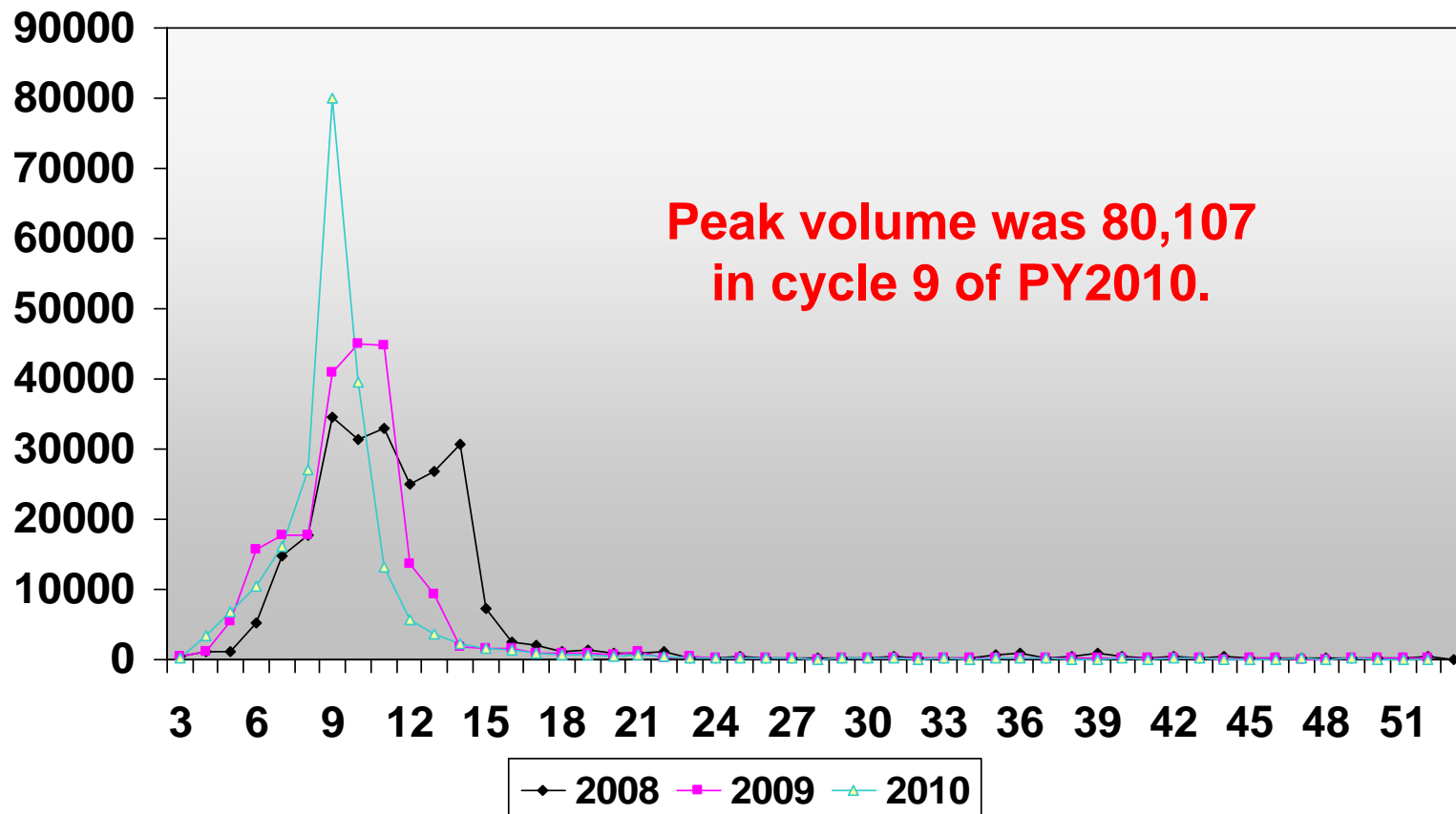
Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

Payment Method Used by Form 943 Taxpayers Making Form 943 Payments Processing Year 2010

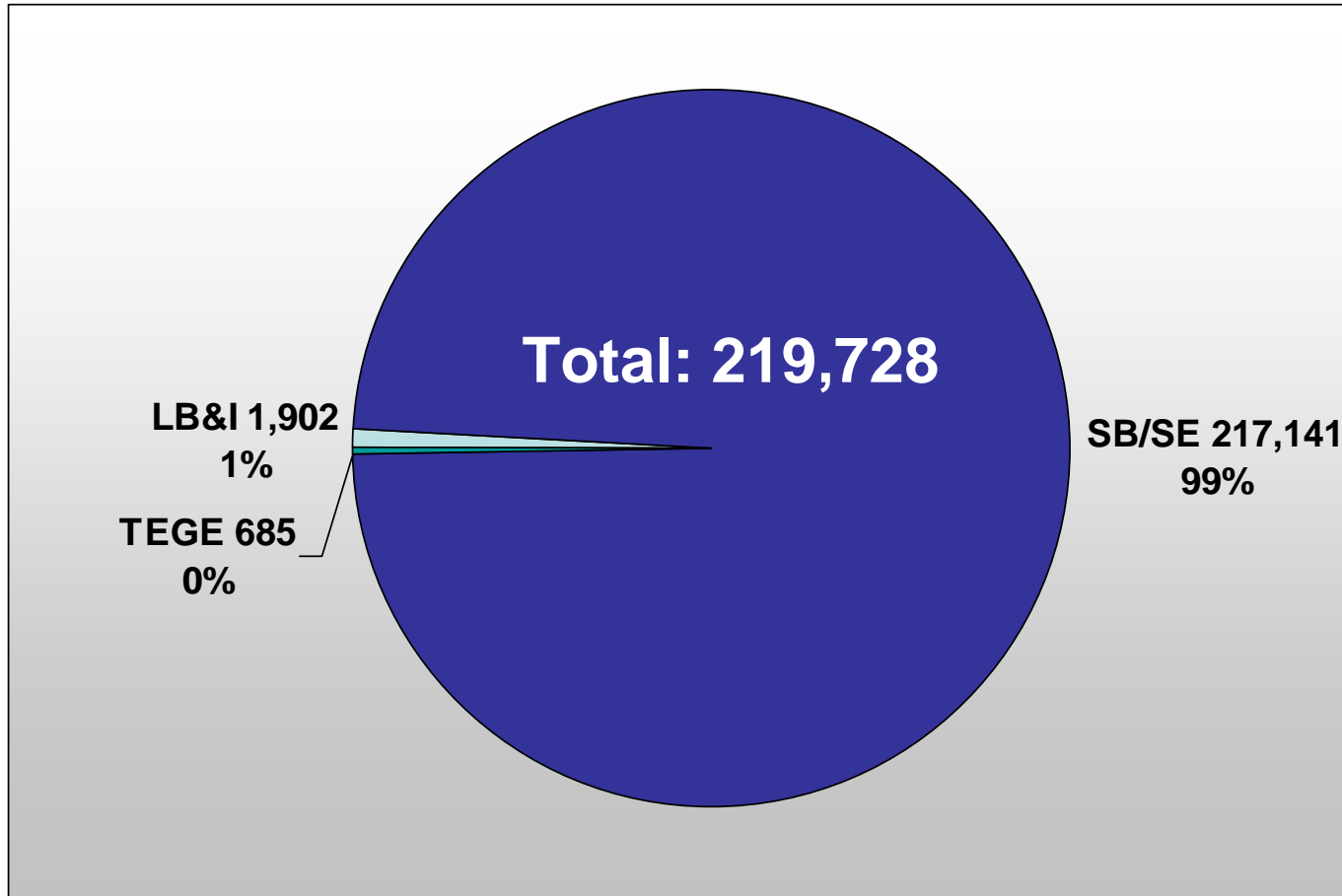


Form 943 Filing Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

Forms 943 by Business Operating Division Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 943 Returns by NAICS

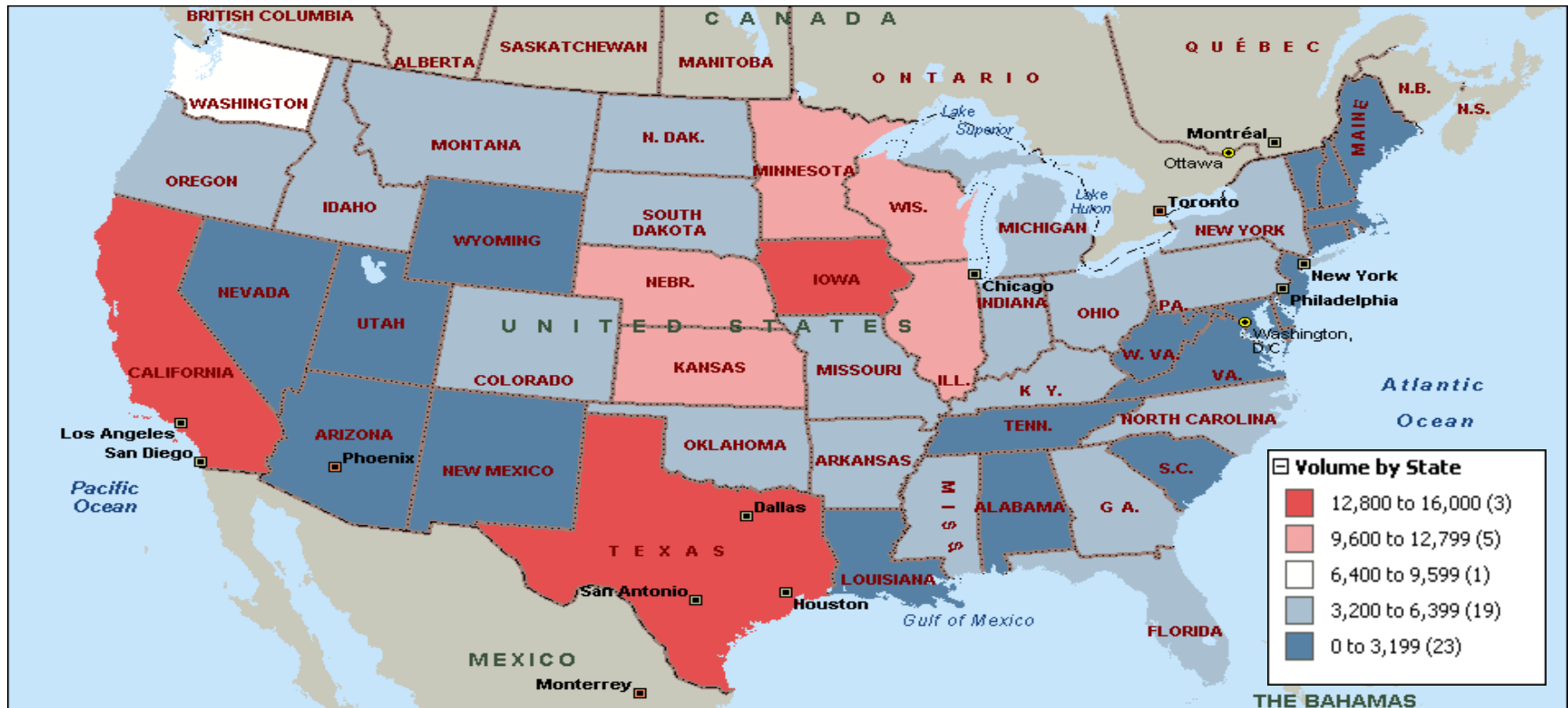
(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
111100	Oilseed & Grain Farming	23,863	11%
110000	Agriculture, Forestry, Fishing and Hunting	22,203	10%
111900	Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet & all other crop farming)	11,939	5%
112111	Beef Cattle Ranching & Farming	11,712	5%
112120	Dairy Cattle & Milk Production	8,305	4%
111300	Fruit & Tree Nut Farming	5,343	2%
115110	Support Activities for Crop Production (including cotton ginning, soil preparation, planting and cultivating)	3,605	2%
111400	Greenhouse, Nursery, & Floriculture Production	3,465	2%
112210	Hog & Pig Farming	3,299	2%
111210	Vegetable & Melon Farming (including potatoes & yams)	3,067	1%

* The percentage of all Form 943 returns filed in PY2010

Form 943 Returns Filed by State

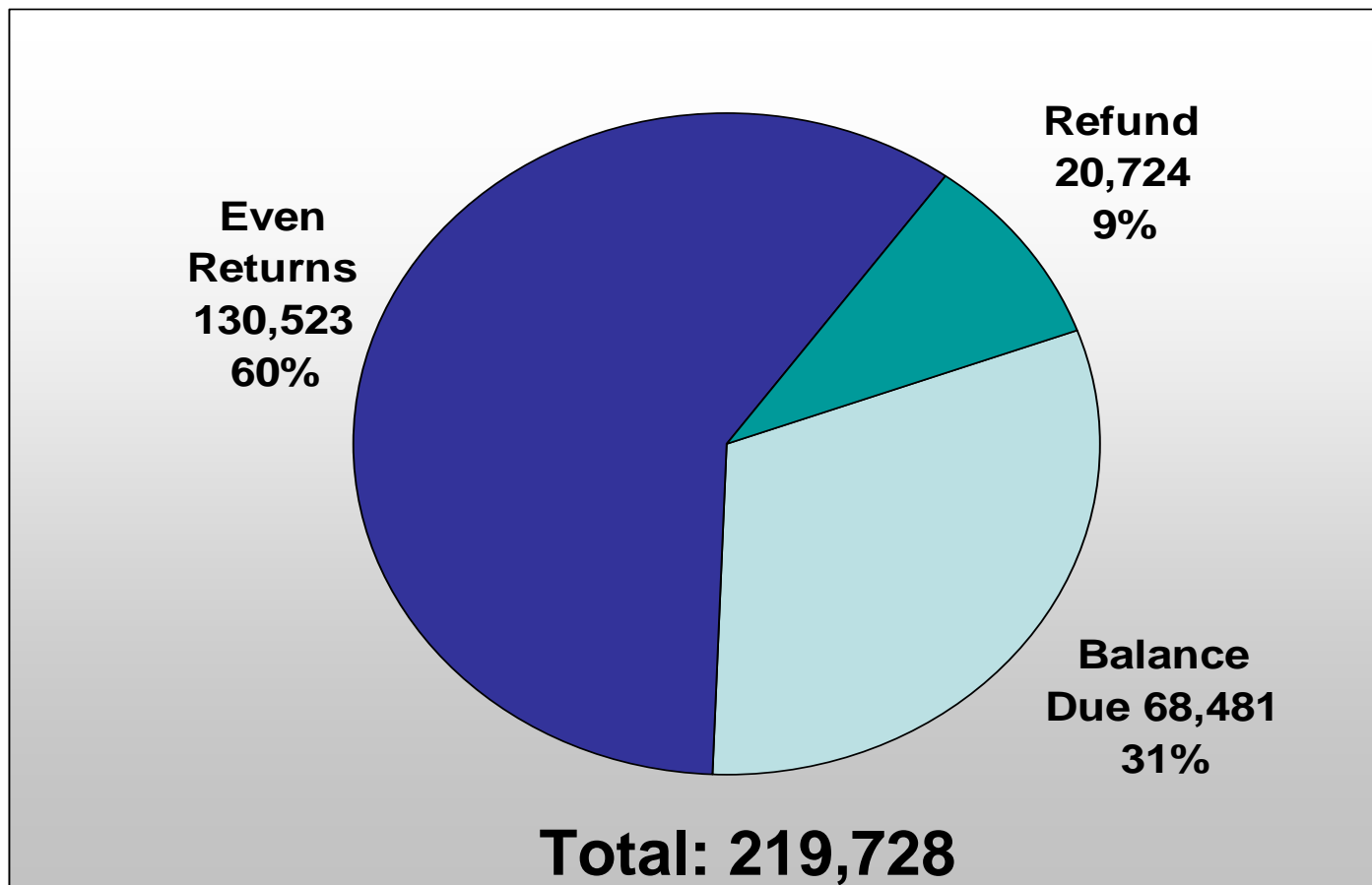
Processing Year 2010



Alaska (AK)	88	Hawaii (HI)	412	Maine (ME)	760	New Jersey (NJ)	863	South Dakota (SD)	5,795
Alabama (AL)	1,833	Iowa (IA)	14,901	Michigan (MI)	4,495	New Mexico (NM)	1,600	Tennessee (TN)	2,376
Arkansas (AR)	5,373	Idaho (ID)	4,183	Minnesota (MN)	11,495	Nevada (NV)	523	Texas (TX)	15,521
Arizona (AZ)	1,313	Illinois (IL)	10,552	Missouri (MO)	6,216	New York (NY)	4,075	Utah (UT)	1,197
California (CA)	15,975	Indiana (IN)	5,379	Mississippi (MS)	3,277	Ohio (OH)	4,864	Virginia (VA)	2,953
Colorado (CO)	3,864	Kansas (KS)	9,948	Montana (MT)	5,221	Oklahoma (OK)	3,687	Vermont (VT)	853
Connecticut (CT)	475	Kentucky (KY)	3,335	North Carolina (NC)	4,950	Oregon (OR)	4,708	Washington (WA)	7,111
Delaware (DE)	359	Louisiana (LA)	2,484	North Dakota (ND)	6,398	Pennsylvania (PA)	3,715	Washington (DC)	12
Florida (FL)	3,868	Massachusetts (MA)	691	Nebraska (NE)	10,784	Rhode Island (RI)	78	Wisconsin (WI)	10,198
Georgia (GA)	3,578	Maryland (MD)	1,178	New Hampshire (NH)	292	South Carolina (SC)	1,401	West Virginia (WV)	475
								Wyoming (WY)	1,697

Source: 2010 ETA Marketing Database

Forms 943 by Balance Due & Overpayment Processing Year 2010



Source: 2010 ETA Marketing Database

Form 943 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$749	\$2,243
2010	\$1,408	\$2,491

Source: 2010 ETA Marketing Database

Form 943 Summary (PY2010)

- **e-file is not currently available for Form 943.**
- **48% of all Form 943 taxpayers are enrolled in EFTPS.**

508 Accessible Table for Slide 13 – Forms 943 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	88	Illinois (IL)	10,552	North Carolina (NC)	4,950	South Carolina (SC)	1,401
Alabama (AL)	1,833	Indiana (IN)	5,379	North Dakota (ND)	6,398	South Dakota (SD)	5,795
Arkansas (AR)	5,373	Kansas (KS)	9,948	Nebraska (NE)	10,784	Tennessee (TN)	2,376
Arizona (AZ)	1,313	Kentucky (KY)	3,335	New Hampshire (NH)	292	Texas (TX)	15,521
California (CA)	15,975	Louisiana (LA)	2,484	New Jersey (NJ)	863	Utah (UT)	1,197
Colorado (CO)	3,864	Massachusetts (MA)	691	New Mexico (NM)	1,600	Virginia (VA)	2,953
Connecticut (CT)	475	Maryland (MD)	1,178	Nevada (NV)	523	Vermont (VT)	853
Delaware (DE)	359	Maine (ME)	760	New York (NY)	4,075	Washington (WA)	7,111
Florida (FL)	3,868	Michigan (MI)	4,495	Ohio (OH)	4,864	Washington (DC)	12
Georgia (GA)	3,578	Minnesota (MN)	11,495	Oklahoma (OK)	3,687	Wisconsin (WI)	10,198
Hawaii (HI)	412	Missouri (MO)	6,216	Oregon (OR)	4,708	West Virginia (WV)	475
Iowa (IA)	14,901	Mississippi (MS)	3,277	Pennsylvania (PA)	3,715	Wyoming (WY)	1,697
Idaho (ID)	4,183	Montana (MT)	5,221	Rhode Island (RI)	78		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 944**

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 944 for
Processing Year (PY) 2010

Acknowledgements

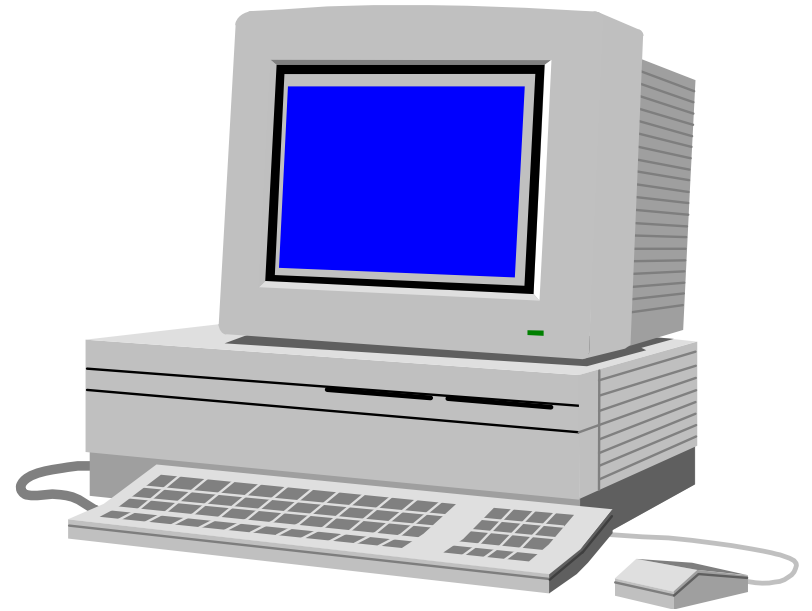
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 561-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains information for all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**

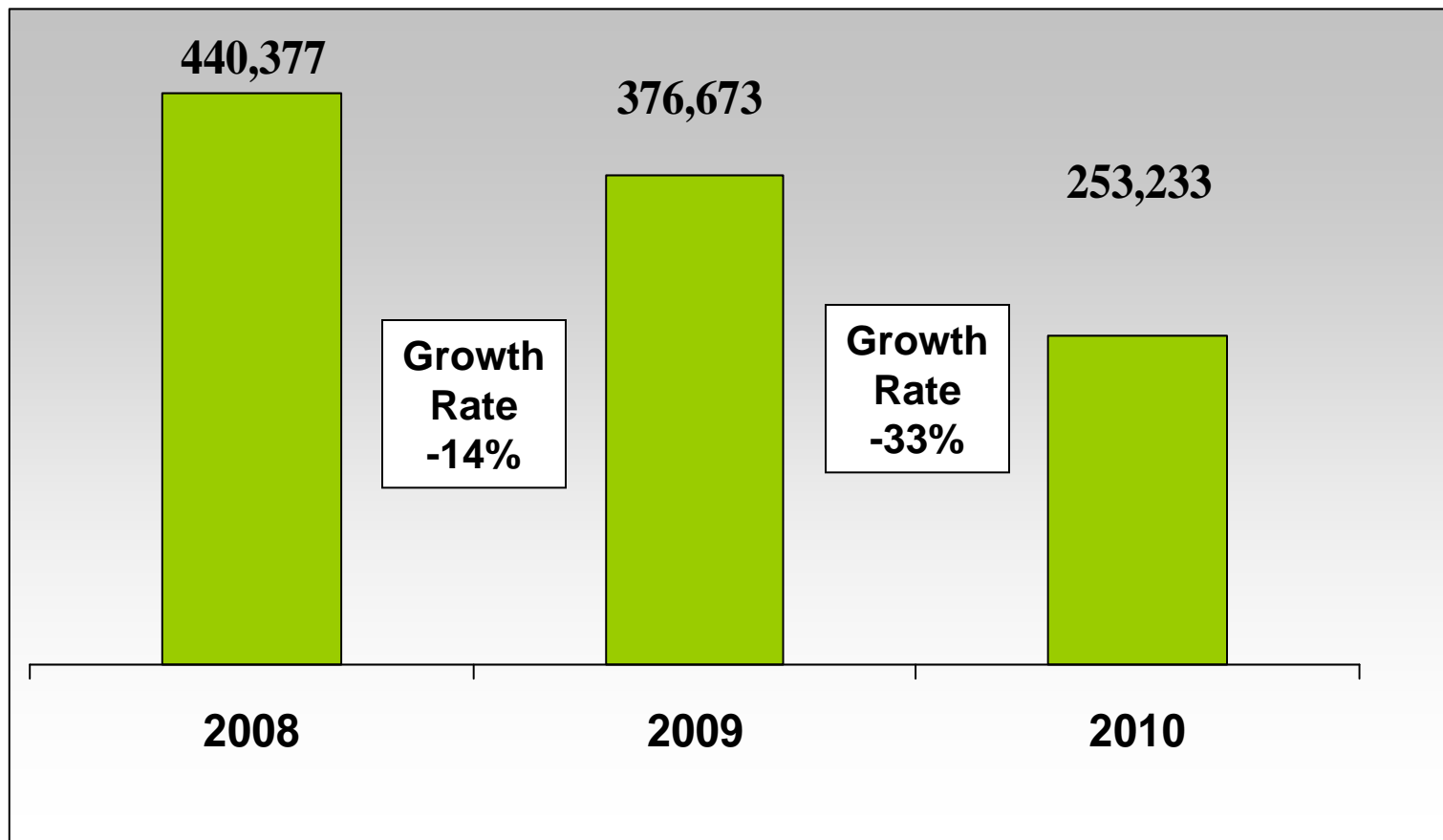


Form 944 Filers
Employer's Annual Federal
Tax Return
Processing Year 2010



Form 944 Annual Filing Volume

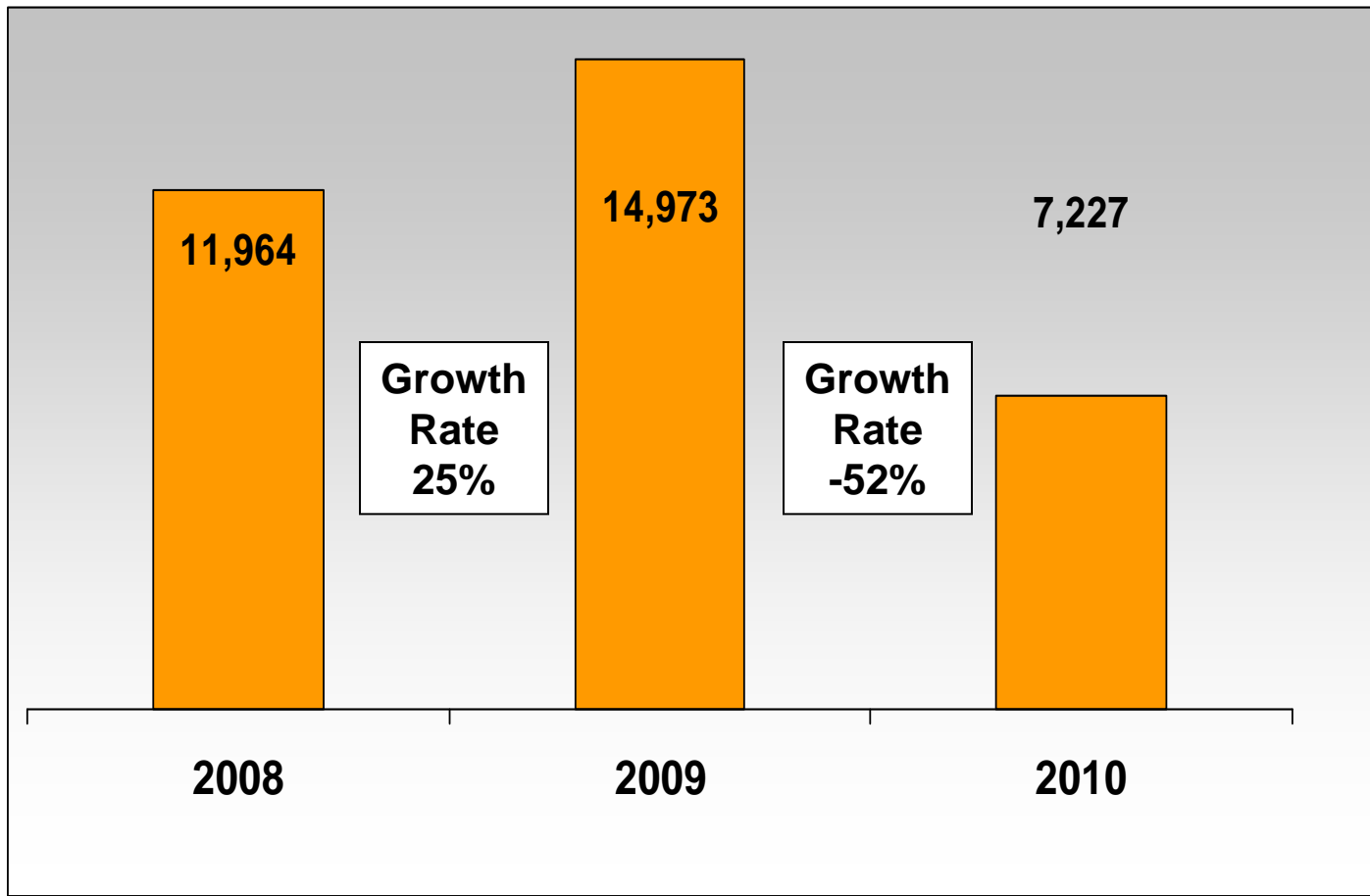
Processing Years 2008-2010



Source: 2010 ETA Marketing Database

Form 944 Annual e-Filing Volume

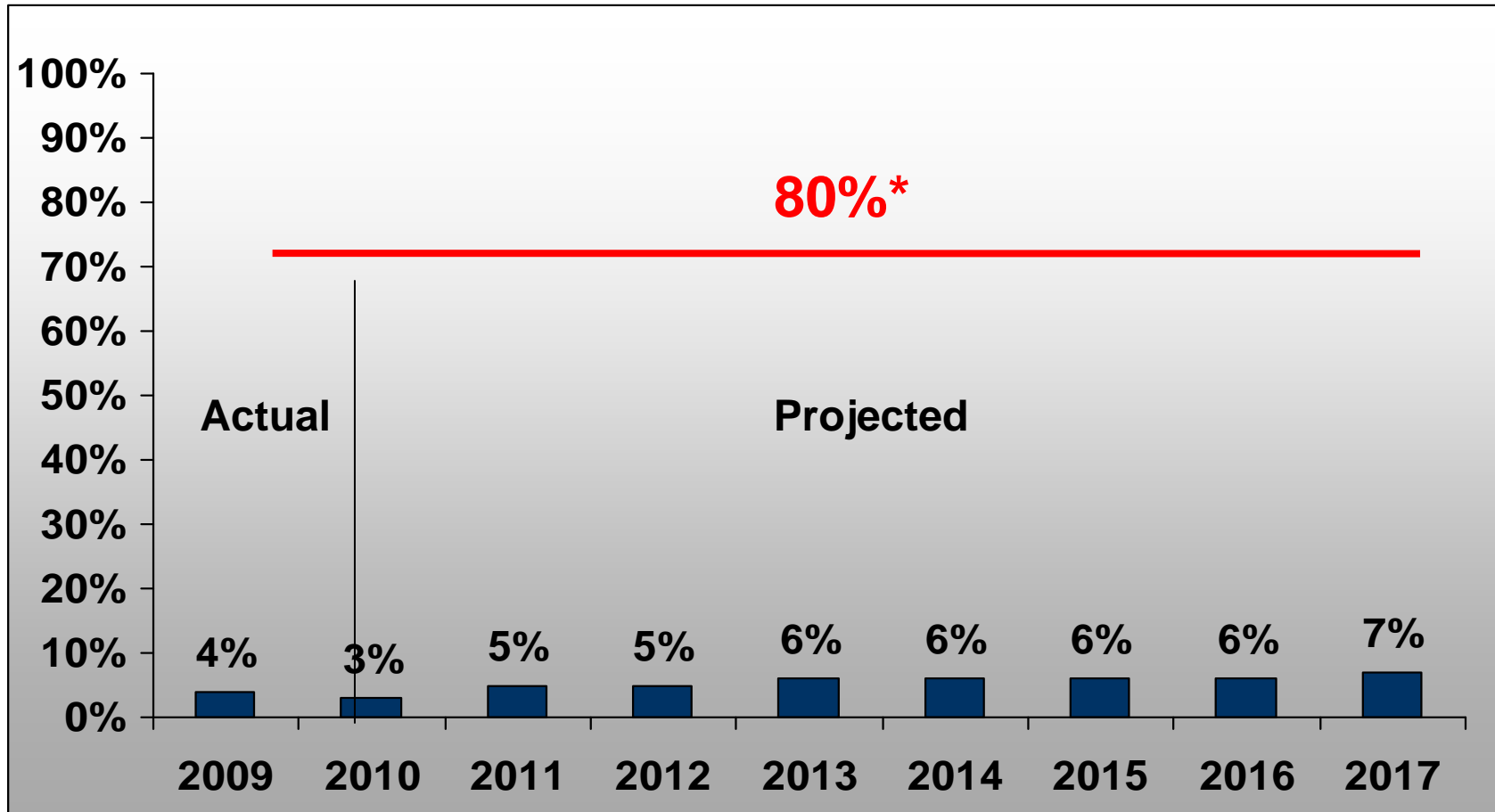
Processing Years 2008-2010



Source: 2010 ETA Marketing Database

**In Processing Year
2010, 3% of all Forms
944 were filed
electronically.**

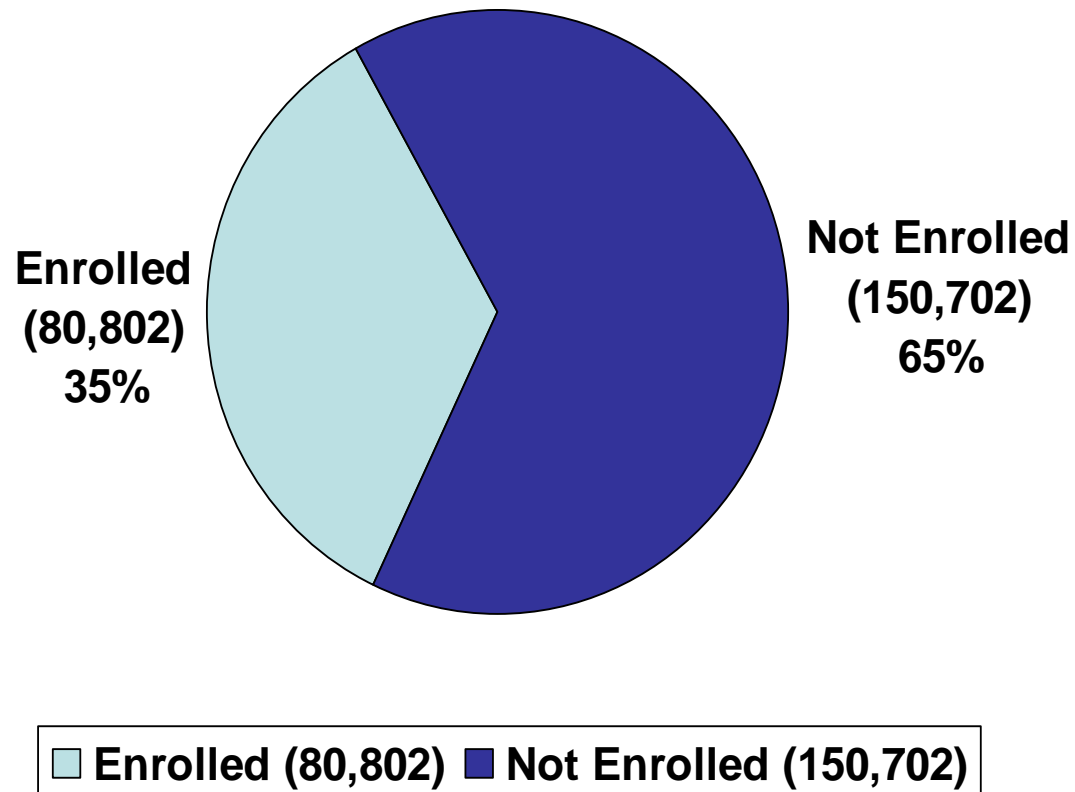
Form 944 Projected *e-file* Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

Form 944 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010

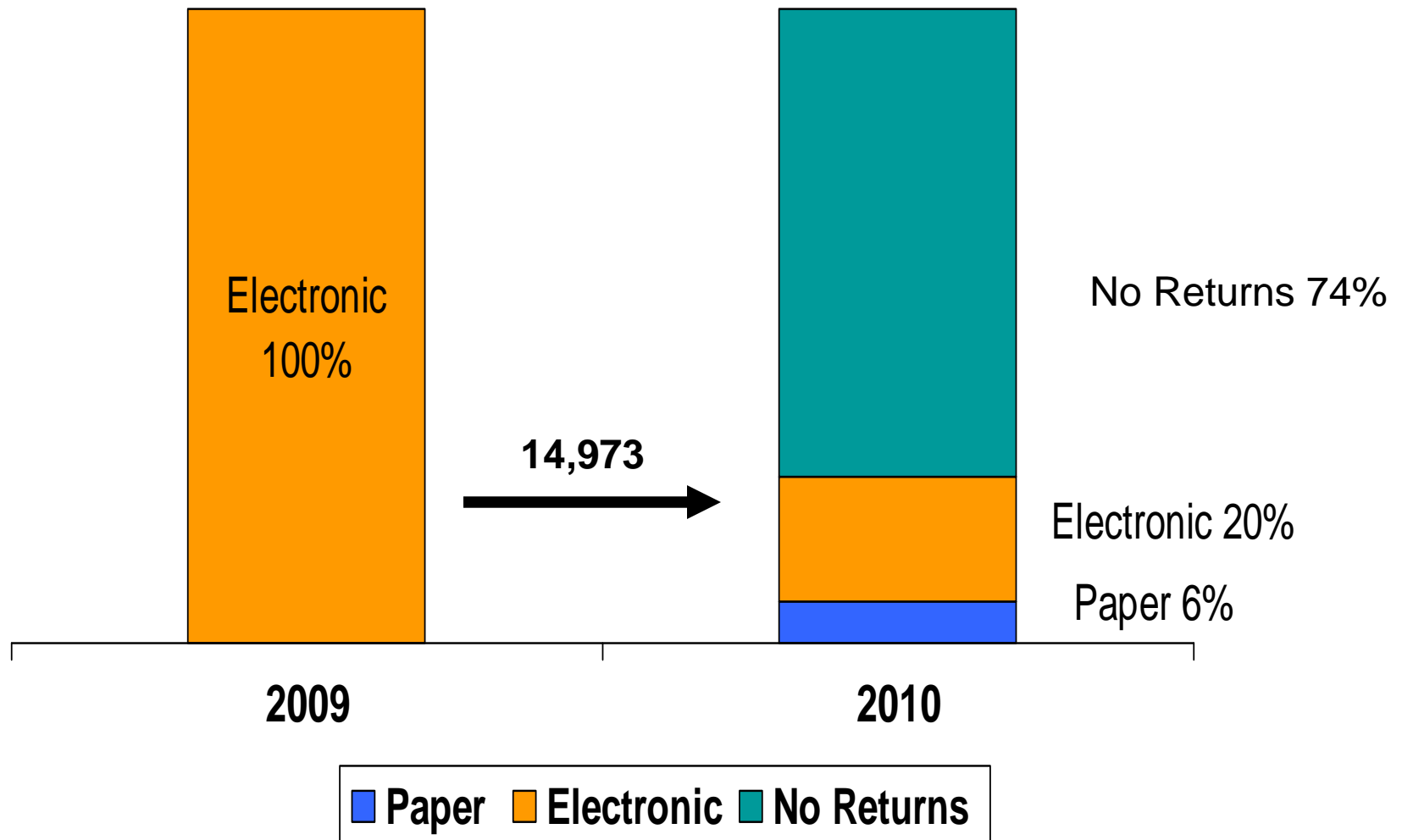


Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

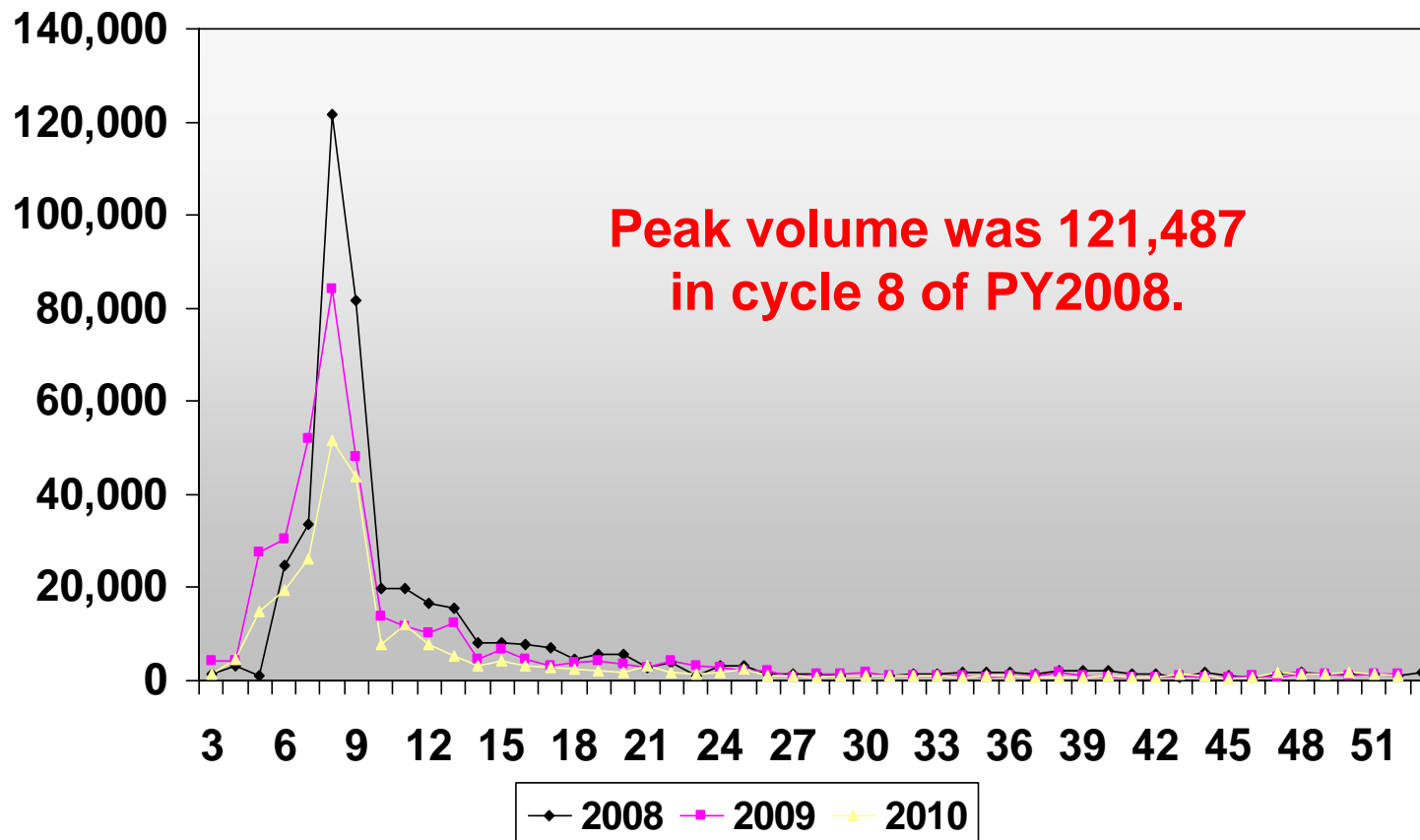
Form 944 e-file Loyalty

20% of PY 2009 Form 944 electronic filers, e-filed in PY2010



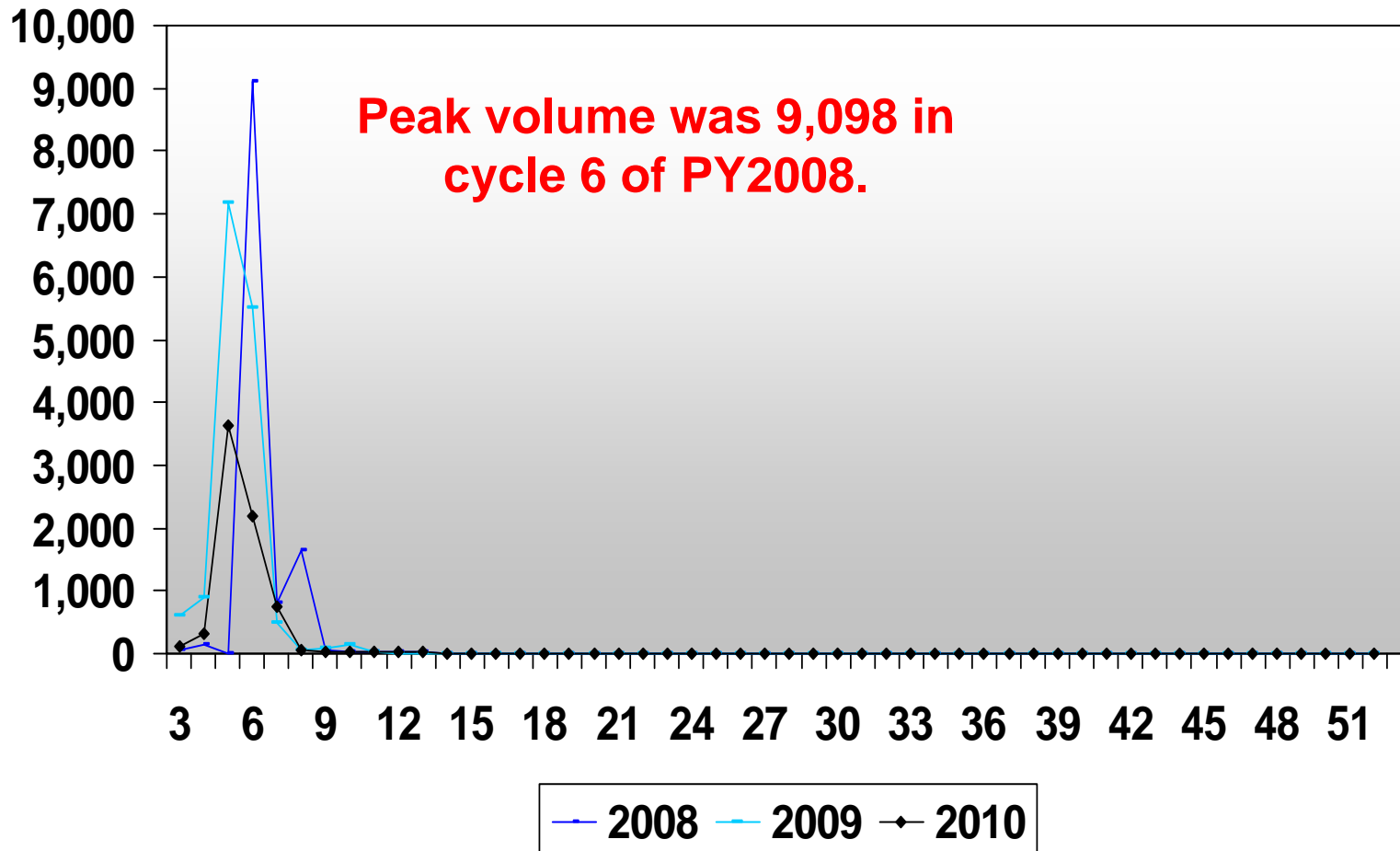
Source: 2010 ETA Marketing Database

Form 944 Filing Patterns by Cycle Posted



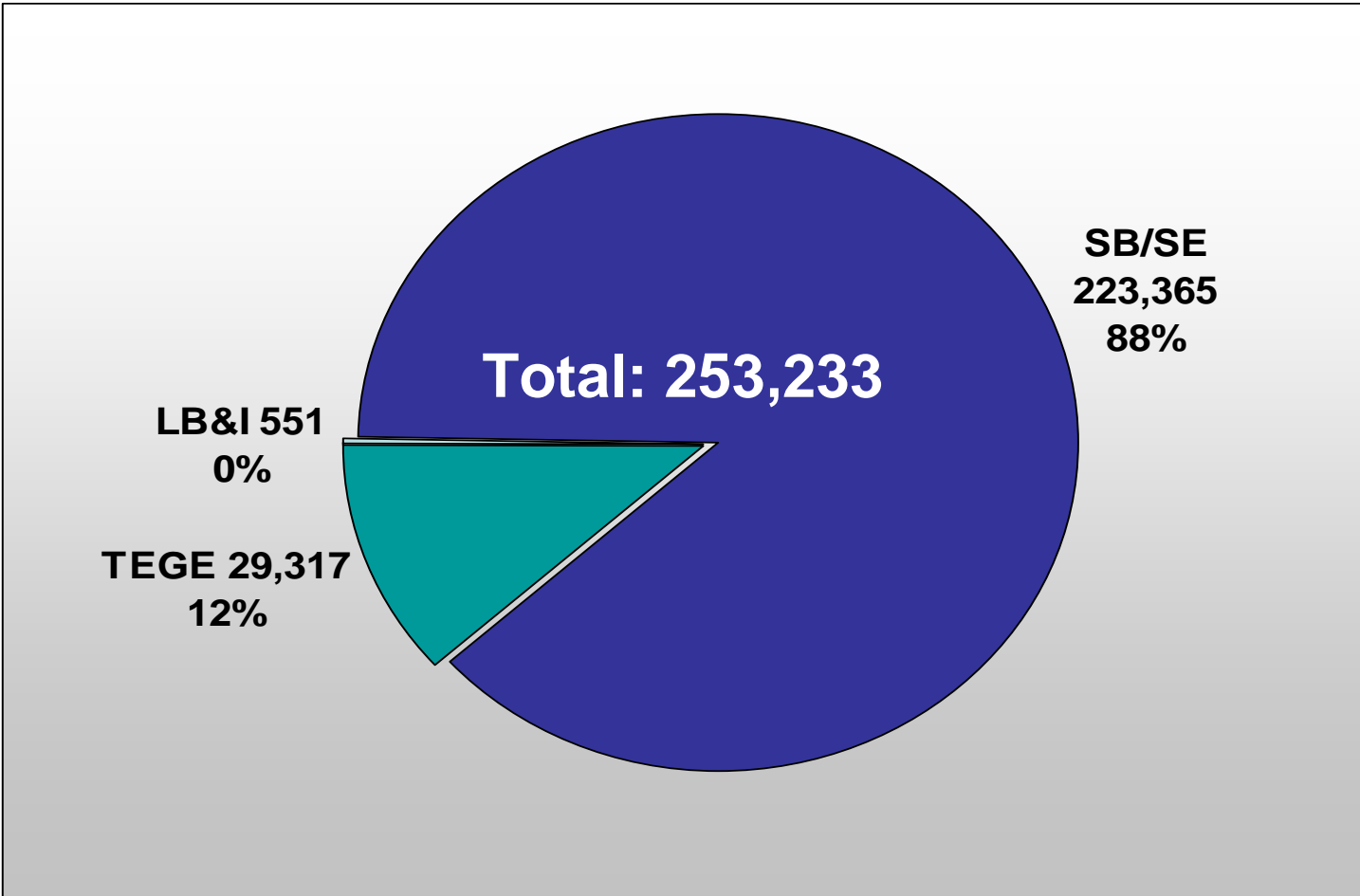
Source: 2010 ETA Marketing Database

Form 944 e-file Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

Forms 944 by Business Operating Division Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 944 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
813000	Religious, Grantmaking, Civic, Professional,	6,246	2%
541990	All Other Professional, Scientific, & Technical Services	4,382	2%
812990	All Other Personal Services	3,780	1%
236110	Residential Building Construction	3,742	1%
531210	Offices of Real Estate Agents & Brokers	3,633	1%
722110	Full-Service Restaurants	3,479	1%
541600	Management, Scientific, & Technical Consulting Services	3,311	1%
238900	Other Specialty Trade Contractors	3,265	1%
531390	Other Activities Related to Real Estate	3,200	1%
531110	Lessors of Residential Buildings & Dwellings	3,066	1%

* The percentage of all Form 944 returns filed in PY2010

Most e-filed Forms 944 by NAICS

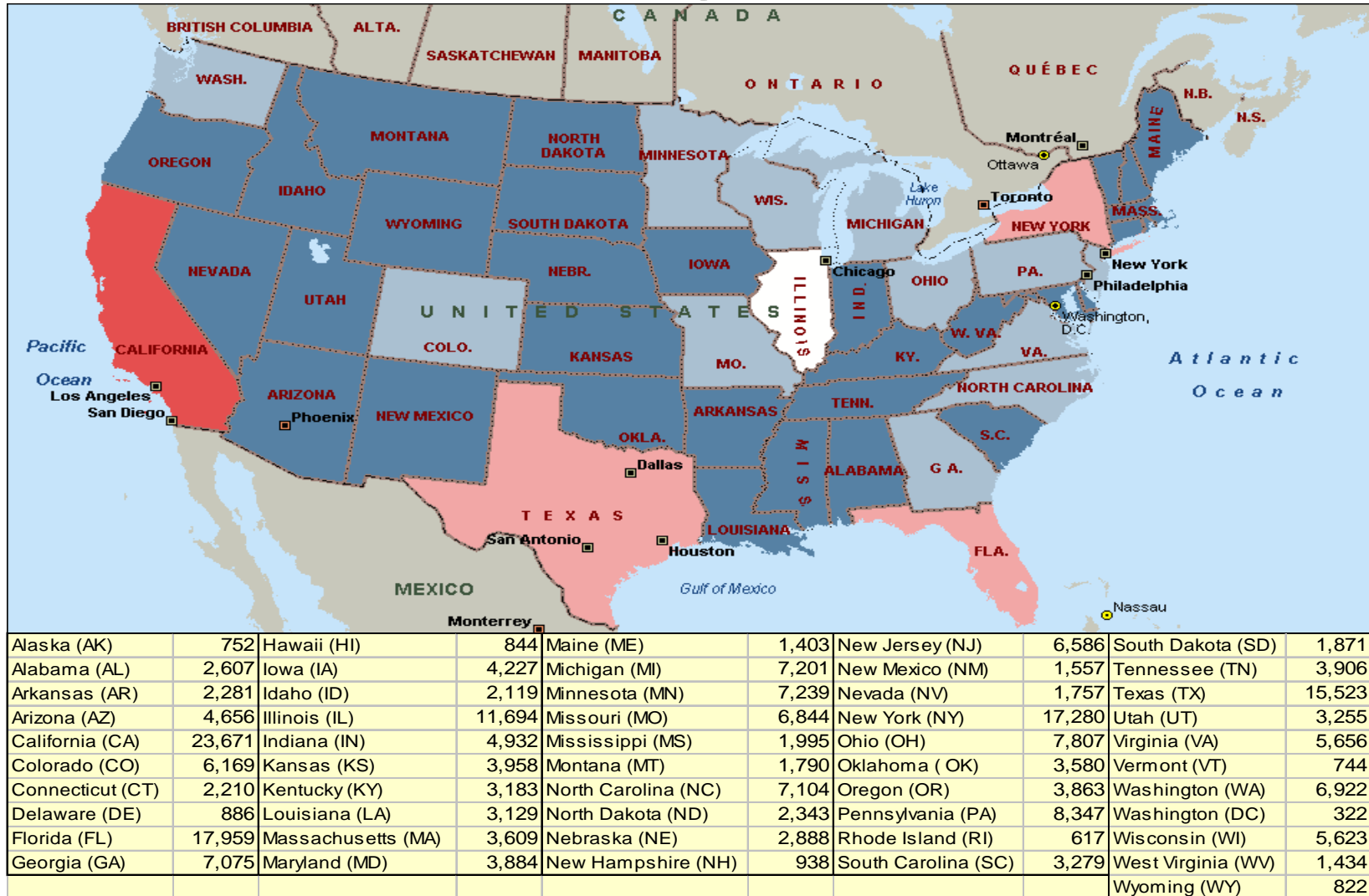
(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
531110	Lessors of Residential Buildings & Dwellings	195	3%
541990	All Other Professional, Scientific, & Technical Services	183	3%
541600	Management, Scientific, & Technical Consulting Services	125	2%
531210	Offices of Real Estate Agents & Brokers	115	2%
531390	Other Activities Related to Real Estate	114	2%
524210	Insurance Agencies and Brokerages	113	2%
722110	Full-Service Restaurants	109	2%
561720	Janitorial Services	108	1%
541110	Offices of Lawyers	107	1%
813000	Religious, Grantmaking, Civic, Professional	103	1%

* The percentage of electronic Form 944 returns filed in PY2010

Form 944 Returns Filed by State

Processing Year 2010



Source: 2010 ETA Marketing Database

Form 944 e-file Penetration by State

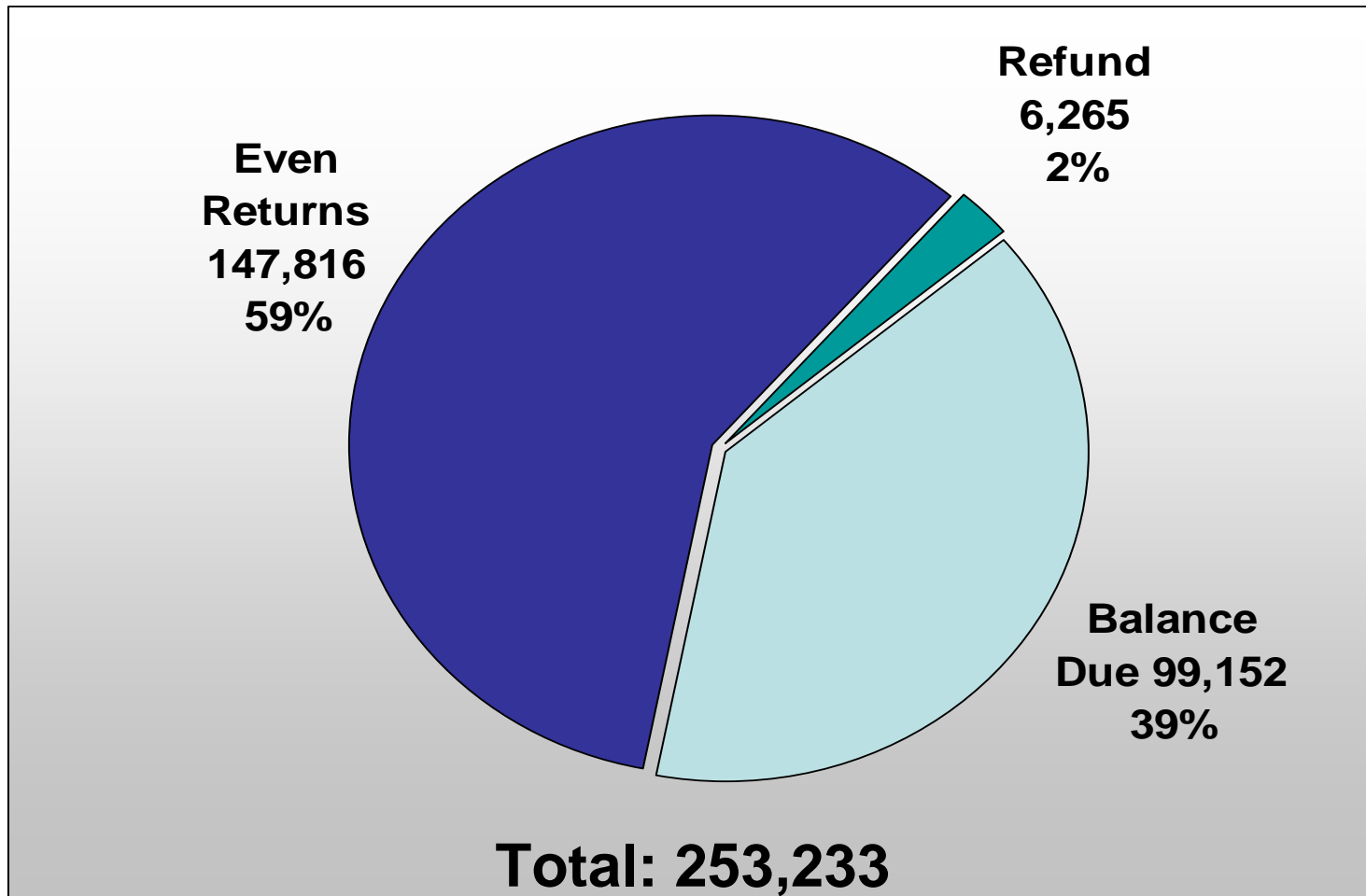
Processing Year 2010



Alaska (AK)	1%	Hawaii (HI)	1%	Maine (ME)	1%	New Jersey (NJ)	23%	South Dakota (SD)	0%
Alabama (AL)	2%	Iowa (IA)	2%	Michigan (MI)	2%	New Mexico (NM)	1%	Tennessee (TN)	0%
Arkansas (AR)	2%	Idaho (ID)	0%	Minnesota (MN)	4%	Nevada (NV)	1%	Texas (TX)	10%
Arizona (AZ)	3%	Illinois (IL)	5%	Missouri (MO)	4%	New York (NY)	8%	Utah (UT)	1%
California (CA)	5%	Indiana (IN)	2%	Mississippi (MS)	1%	Ohio (OH)	4%	Virginia (VA)	24%
Colorado (CO)	2%	Kansas (KS)	2%	Montana (MT)	0%	Oklahoma (OK)	2%	Vermont (VT)	0%
Connecticut (CT)	4%	Kentucky (KY)	1%	North Carolina (NC)	7%	Oregon (OR)	2%	Washington (WA)	44%
Delaware (DE)	1%	Louisiana (LA)	1%	North Dakota (ND)	0%	Pennsylvania (PA)	38%	Washington (DC)	2%
Florida (FL)	9%	Massachusetts (MA)	8%	Nebraska (NE)	3%	Rhode Island (RI)	3%	Wisconsin (WI)	2%
Georgia (GA)	29%	Maryland (MD)	9%	New Hampshire (NH)	1%	South Carolina (SC)	4%	West Virginia (WV)	1%
								Wyoming (WY)	0%

Source: 2010 ETA Marketing Database

Forms 944 by Balance Due & Overpayment Processing Year 2010



Form 944 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$1397	\$1662
2010	\$2,219	\$2,555

Form 944 Summary (PY2010)

- **Form 944 *e-file* penetration rate is 4% projected to be 7% by CY2017.**
- **35% of all Form 944 taxpayers are enrolled in EFTPS.**

508 Accessible Table for Slide 19 – Forms 944 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	752	Illinois (IL)	11,694	North Carolina (NC)	7,104	South Carolina (SC)	3,279
Alabama (AL)	2,607	Indiana (IN)	4,932	North Dakota (ND)	2,343	South Dakota (SD)	1,871
Arkansas (AR)	2,281	Kansas (KS)	3,958	Nebraska (NE)	2,888	Tennessee (TN)	3,906
Arizona (AZ)	4,656	Kentucky (KY)	3,183	New Hampshire (NH)	938	Texas (TX)	15,523
California (CA)	23,671	Louisiana (LA)	3,129	New Jersey (NJ)	6,586	Utah (UT)	3,255
Colorado (CO)	6,169	Massachusetts (MA)	3,609	New Mexico (NM)	1,557	Virginia (VA)	5,656
Connecticut (CT)	2,210	Maryland (MD)	3,884	Nevada (NV)	1,757	Vermont (VT)	744
Delaware (DE)	886	Maine (ME)	1,403	New York (NY)	17,280	Washington (WA)	6,922
Florida (FL)	17,959	Michigan (MI)	7,201	Ohio (OH)	7,807	Washington (DC)	322
Georgia (GA)	7,075	Minnesota (MN)	7,239	Oklahoma (OK)	3,580	Wisconsin (WI)	5,623
Hawaii (HI)	844	Missouri (MO)	6,844	Oregon (OR)	3,863	West Virginia (WV)	1,434
Iowa (IA)	4,227	Mississippi (MS)	1,995	Pennsylvania (PA)	8,347	Wyoming (WY)	822
Idaho (ID)	2,119	Montana (MT)	1,790	Rhode Island (RI)	617		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 20 – Forms 944 e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	1%	Illinois (IL)	5%	North Carolina (NC)	7%	South Carolina (SC)	4%
Alabama (AL)	2%	Indiana (IN)	2%	North Dakota (ND)	0%	South Dakota (SD)	0%
Arkansas (AR)	2%	Kansas (KS)	2%	Nebraska (NE)	3%	Tennessee (TN)	0%
Arizona (AZ)	3%	Kentucky (KY)	1%	New Hampshire (NH)	1%	Texas (TX)	10%
California (CA)	5%	Louisiana (LA)	1%	New Jersey (NJ)	23%	Utah (UT)	1%
Colorado (CO)	2%	Massachusetts (MA)	8%	New Mexico (NM)	1%	Virginia (VA)	24%
Connecticut (CT)	4%	Maryland (MD)	9%	Nevada (NV)	1%	Vermont (VT)	0%
Delaware (DE)	1%	Maine (ME)	1%	New York (NY)	8%	Washington (WA)	44%
Florida (FL)	9%	Michigan (MI)	2%	Ohio (OH)	4%	Washington (DC)	2%
Georgia (GA)	29%	Minnesota (MN)	4%	Oklahoma (OK)	2%	Wisconsin (WI)	2%
Hawaii (HI)	1%	Missouri (MO)	4%	Oregon (OR)	2%	West Virginia (WV)	1%
Iowa (IA)	2%	Mississippi (MS)	1%	Pennsylvania (PA)	38%	Wyoming (WY)	0%
Idaho (ID)	0%	Montana (MT)	0%	Rhode Island (RI)	3%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 945**

**Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 945 for
Processing Year (PY) 2010

Acknowledgements

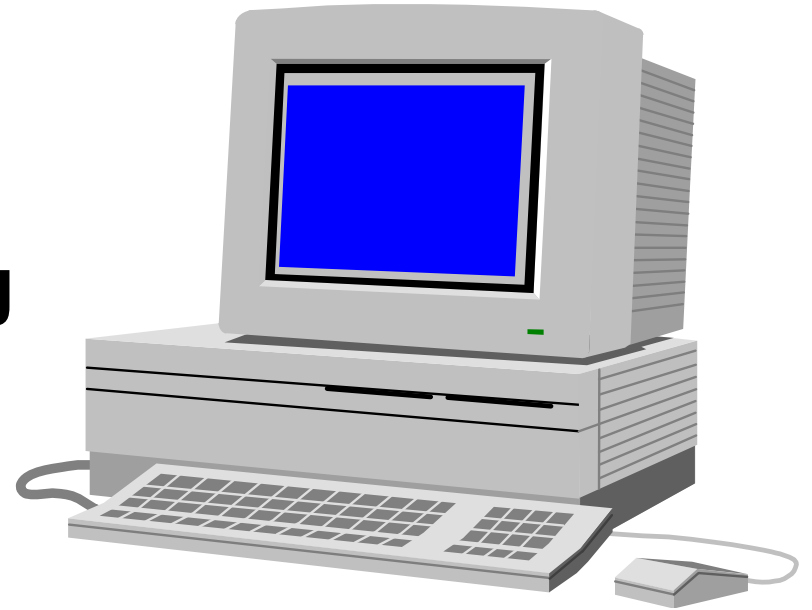
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database Form 945 table**
- **It contains all Form 945 returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



Form 945 Filers

Annual Return of Withheld Federal Income Tax

Processing Year 2010

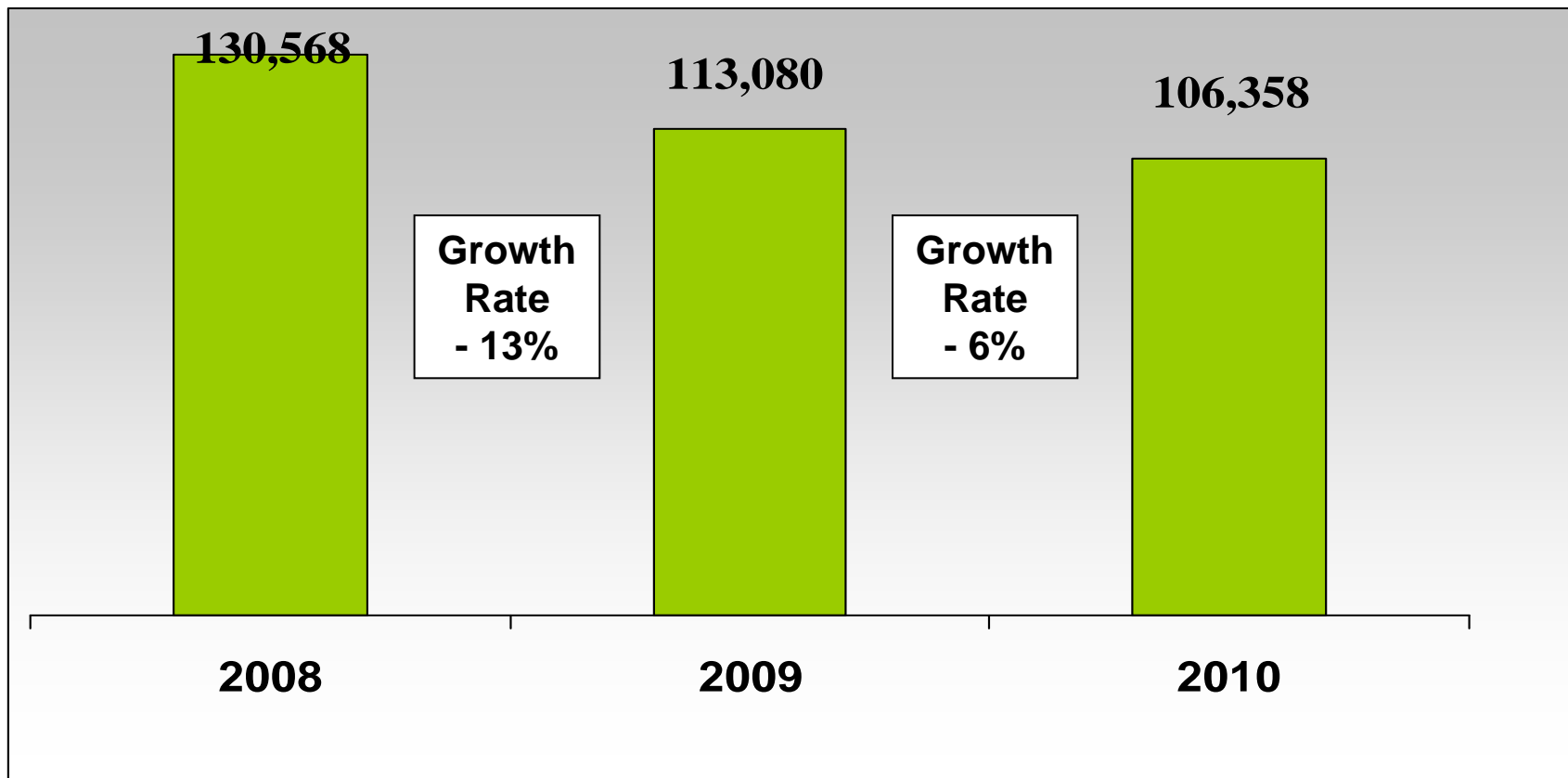


Form 945

Annual

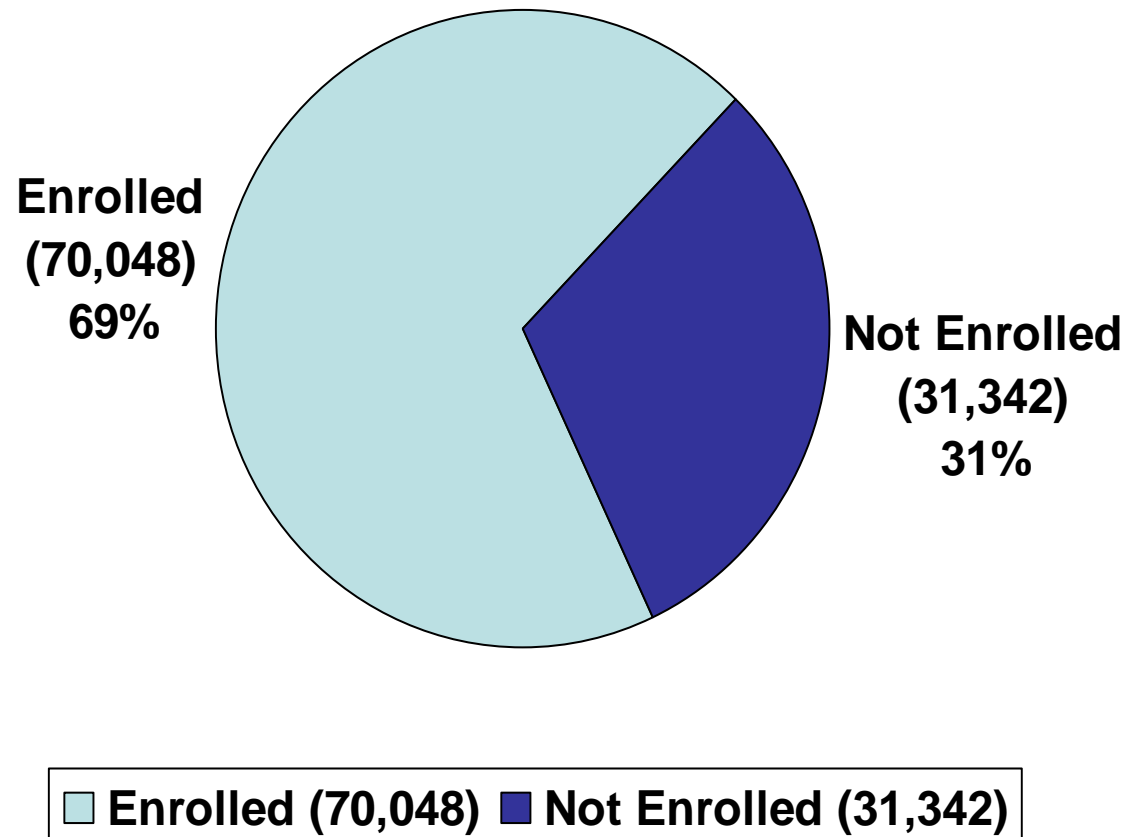
Filing Volume

Processing Years 2008-2010



Source: 2010 ETA Marketing Database

Form 945 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010

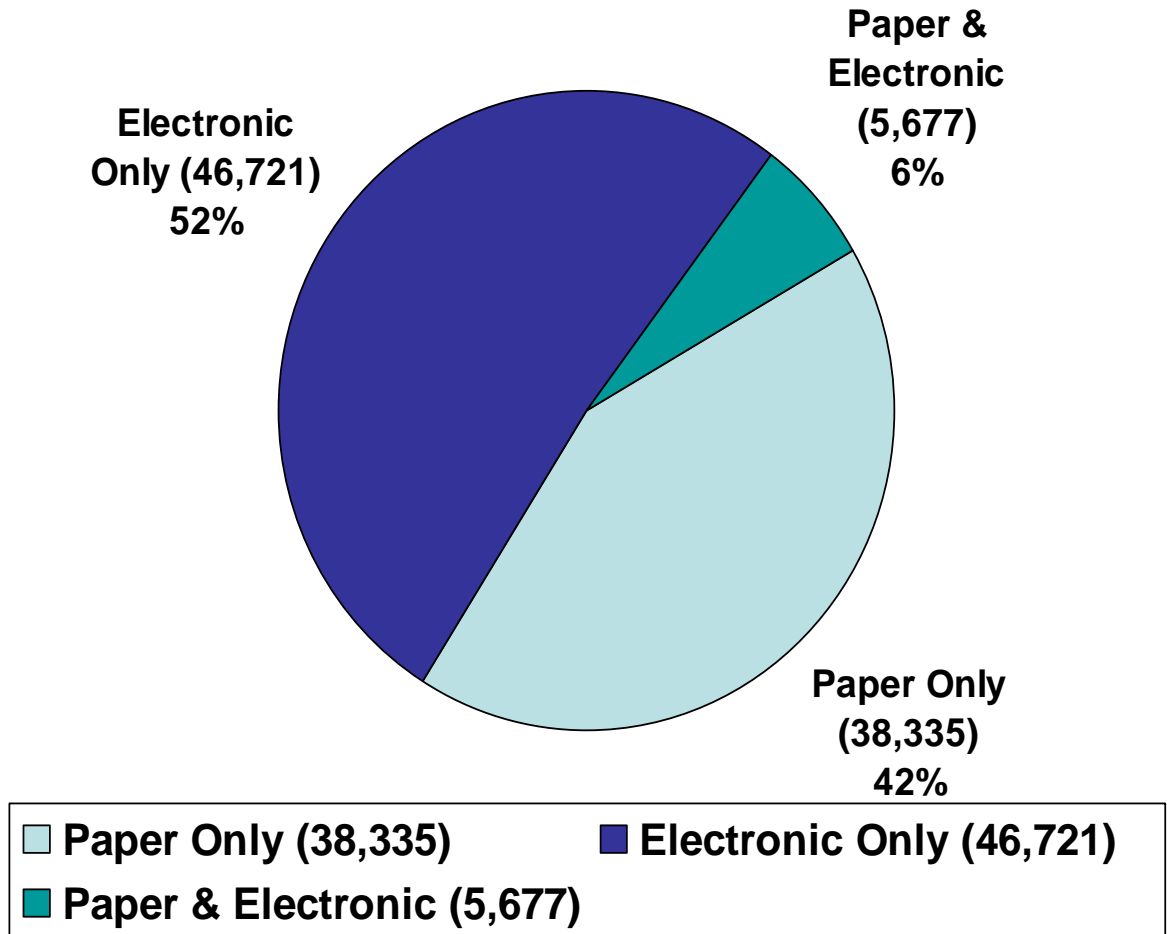


Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

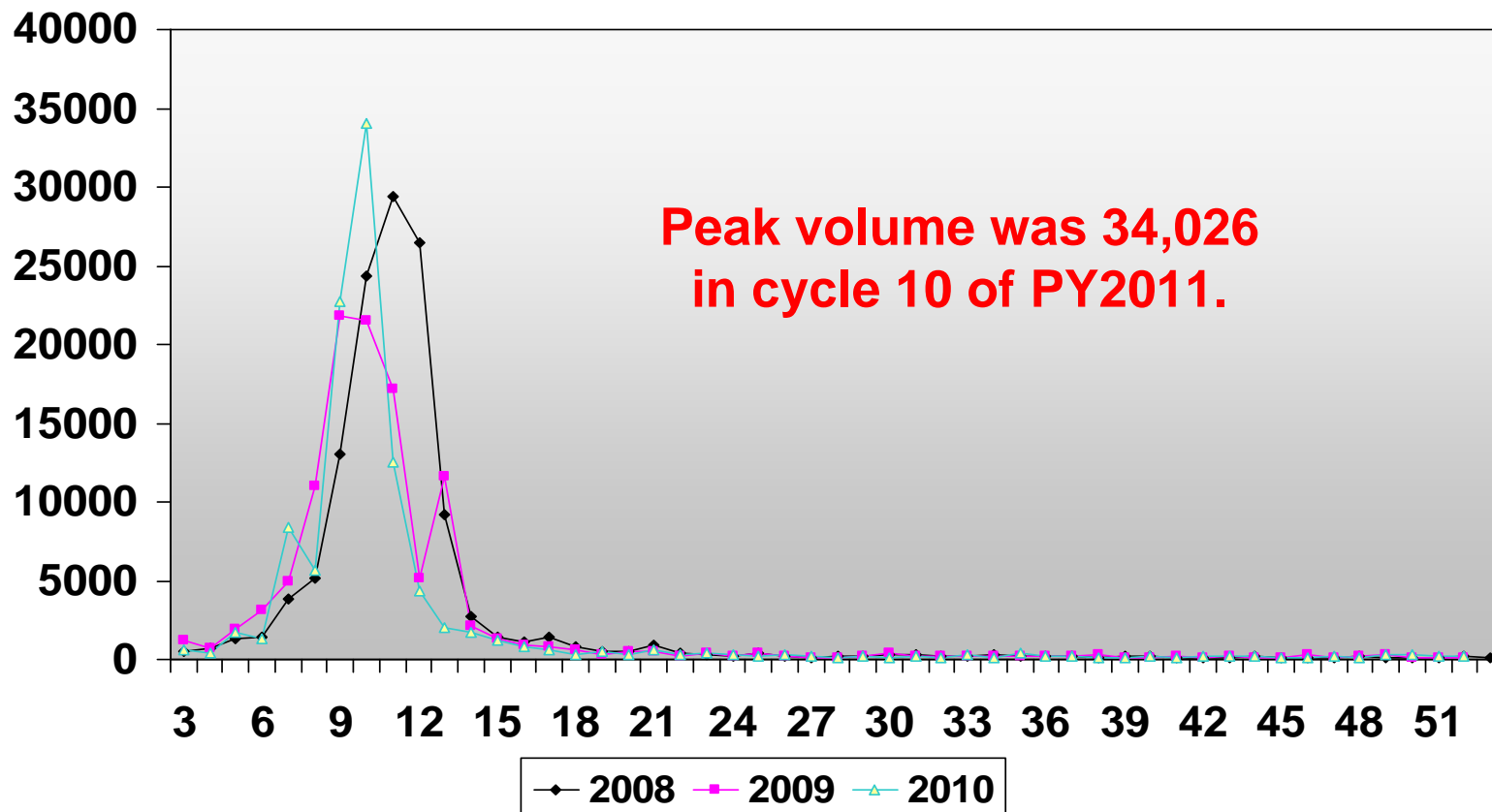
Payment Method Used by Form 945 Taxpayers Making Form 945 Payments

Processing Year 2010



Source: 2010 ETA Marketing Database

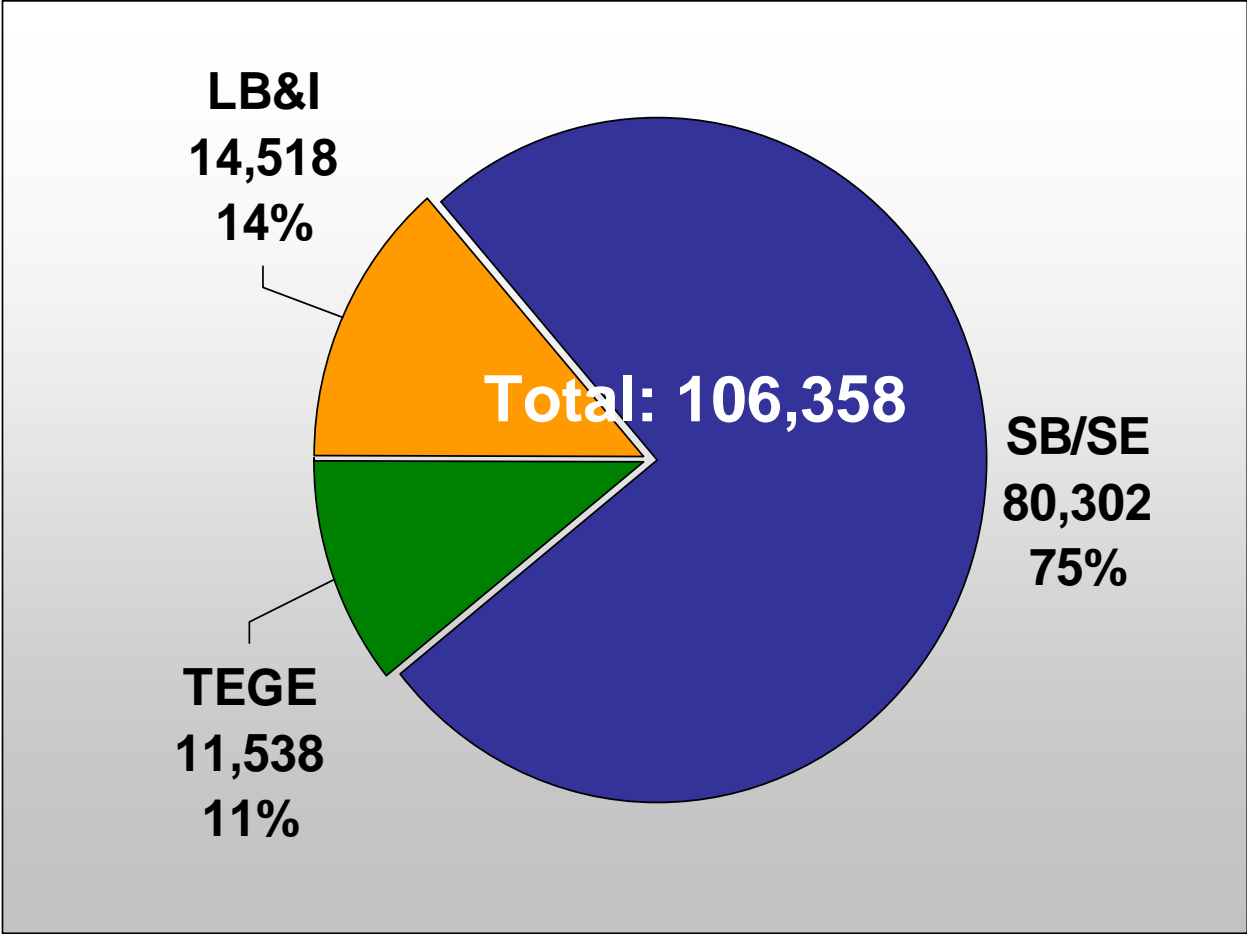
Form 945 Filing Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

Forms 945 by Business Operating Division

Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 945 Returns by NAICS

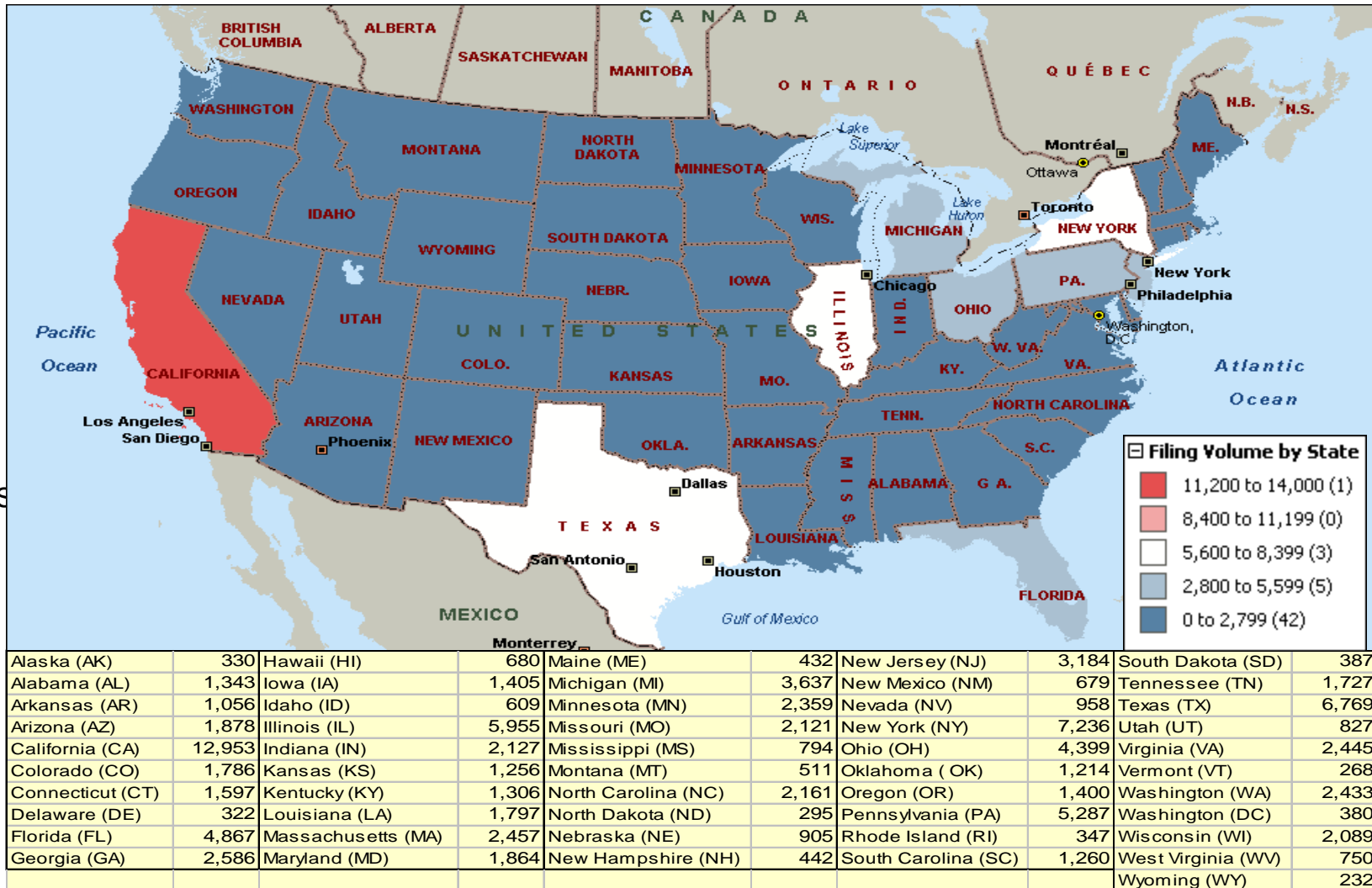
(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
525110	Pension Funds	8,137	8%
522110	Commercial Banking	5,196	5%
621111	Offices of Physicians (except mental health specialists)	4,019	4%
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	2,387	2%
621210	Offices of Dentists	1,779	2%
525990	Other Financial Vehicles	1,364	1%
541110	Offices of Lawyers	1,245	1%
522000	Credit Intermediation	1,163	1%
238900	Other Specialty Trade Contractors	1,002	1%
611000	Educational Services (including schools, colleges, & universities)	910	1%

*** The percentage of all Form 945 returns filed in PY2010**

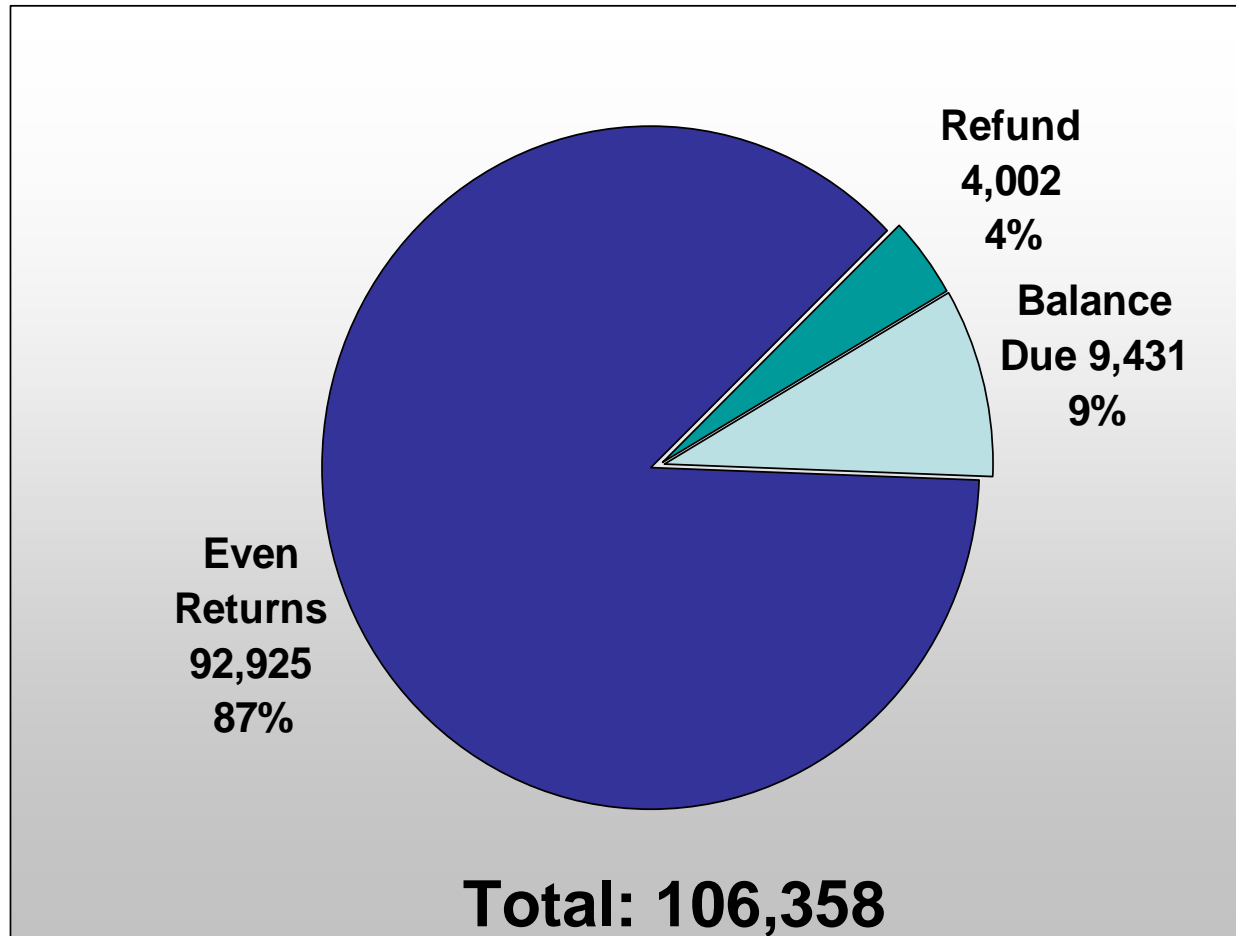
Form 945 Returns Filed by State

Processing Year 2010



Source: 2010 ETA Marketing Database

Forms 945 by Balance Due & Overpayment Processing Year 2010



Source: 2010 ETA Marketing Database

Form 945 Average Balance Due & Overpayment

Processing Year	Average Refund	Average Balance Due
2009	\$49,834	\$717,427
2010	\$41,510	\$97,111

Source: 2010 ETA Marketing Database

Form 945 Summary (PY2010)

- **e-file is not currently available for Form 945.**
- **69% of all Form 945 taxpayers are enrolled in EFTPS.**

508 Accessible Table for Slide 13 – Forms 945 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	330	Illinois (IL)	5,955	North Carolina (NC)	2,161	South Carolina (SC)	1,260
Alabama (AL)	1,343	Indiana (IN)	2,127	North Dakota (ND)	295	South Dakota (SD)	387
Arkansas (AR)	1,056	Kansas (KS)	1,256	Nebraska (NE)	905	Tennessee (TN)	1,727
Arizona (AZ)	1,878	Kentucky (KY)	1,306	New Hampshire (NH)	442	Texas (TX)	6,769
California (CA)	12,953	Louisiana (LA)	1,797	New Jersey (NJ)	3,184	Utah (UT)	827
Colorado (CO)	1,786	Massachusetts (MA)	2,457	New Mexico (NM)	679	Virginia (VA)	2,445
Connecticut (CT)	1,597	Maryland (MD)	1,864	Nevada (NV)	958	Vermont (VT)	268
Delaware (DE)	322	Maine (ME)	432	New York (NY)	7,236	Washington (WA)	2,433
Florida (FL)	4,867	Michigan (MI)	3,637	Ohio (OH)	4,399	Washington (DC)	380
Georgia (GA)	2,586	Minnesota (MN)	2,359	Oklahoma (OK)	1,214	Wisconsin (WI)	2,089
Hawaii (HI)	680	Missouri (MO)	2,121	Oregon (OR)	1,400	West Virginia (WV)	750
Iowa (IA)	1,405	Mississippi (MS)	794	Pennsylvania (PA)	5,287	Wyoming (WY)	232
Idaho (ID)	609	Montana (MT)	511	Rhode Island (RI)	347		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 1041
Electronic Tax Administration
Business Master File Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 1041 for
Processing Year (PY) 2010

Acknowledgements

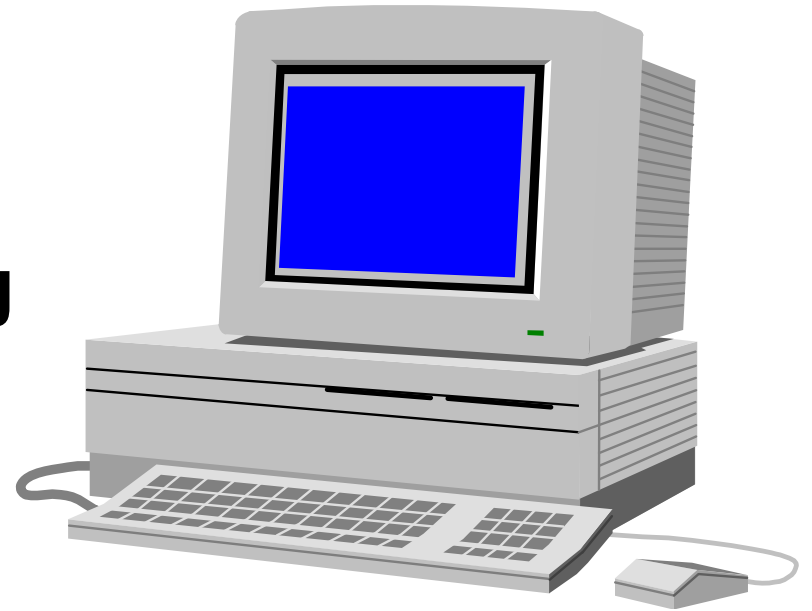
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database Form 1041 table**
- **It contains all Form 1041 returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



Form 1041 Filers

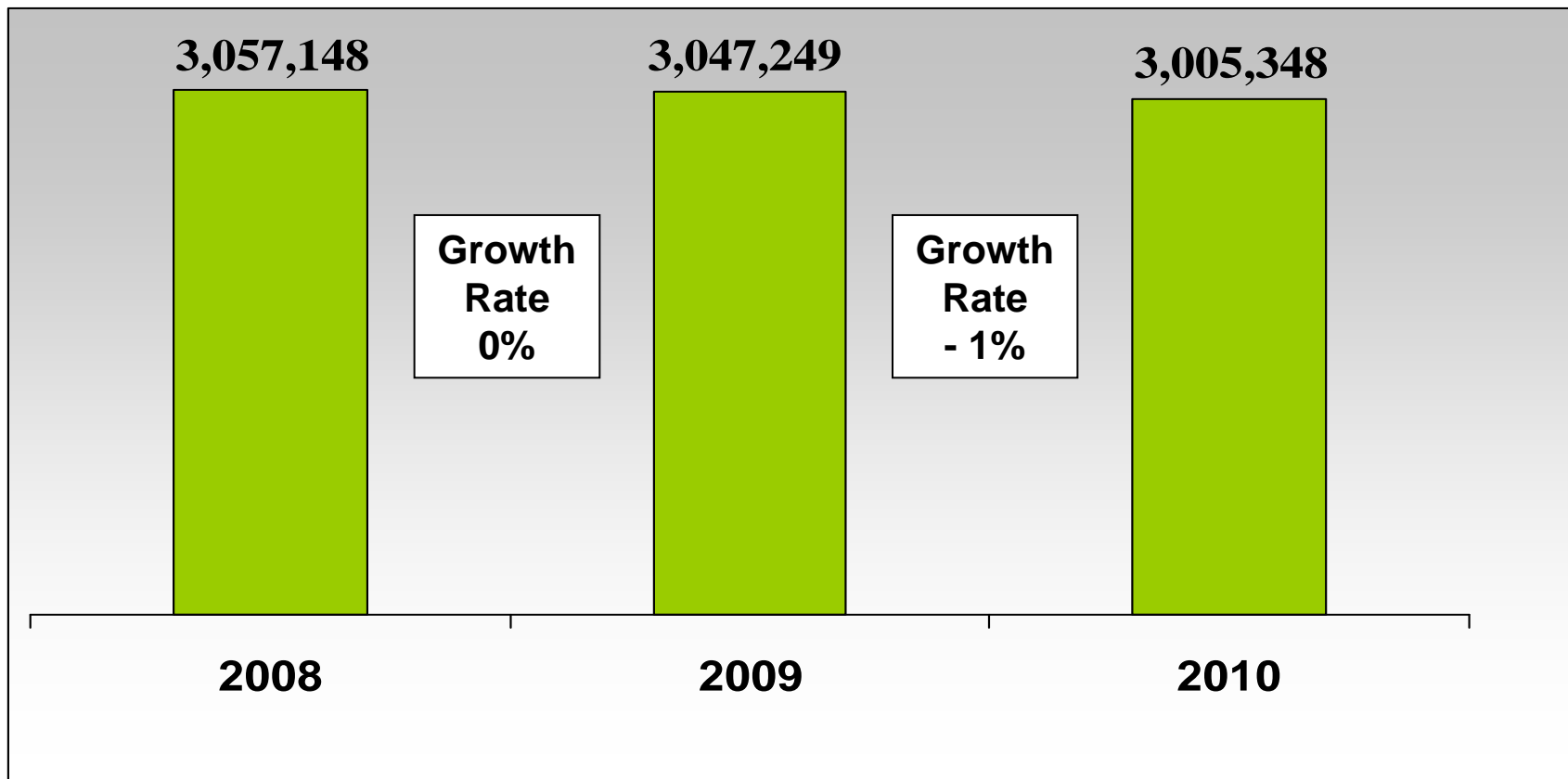
Annual Return of Withheld Federal Income Tax

Processing Year 2010



Form 1041 Annual Filing Volume

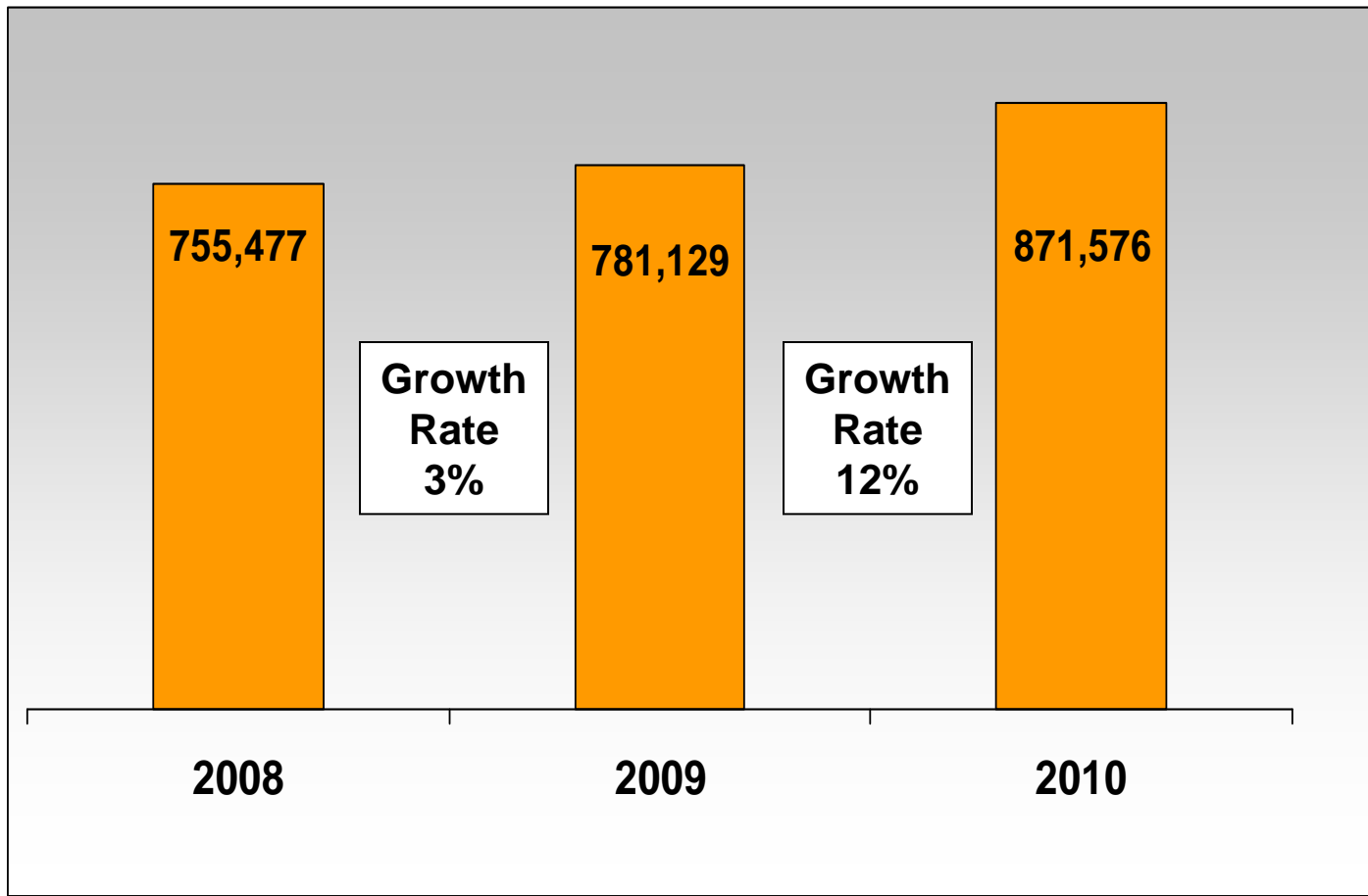
Processing Years 2008-2010



Source: 2010 ETA Marketing Database

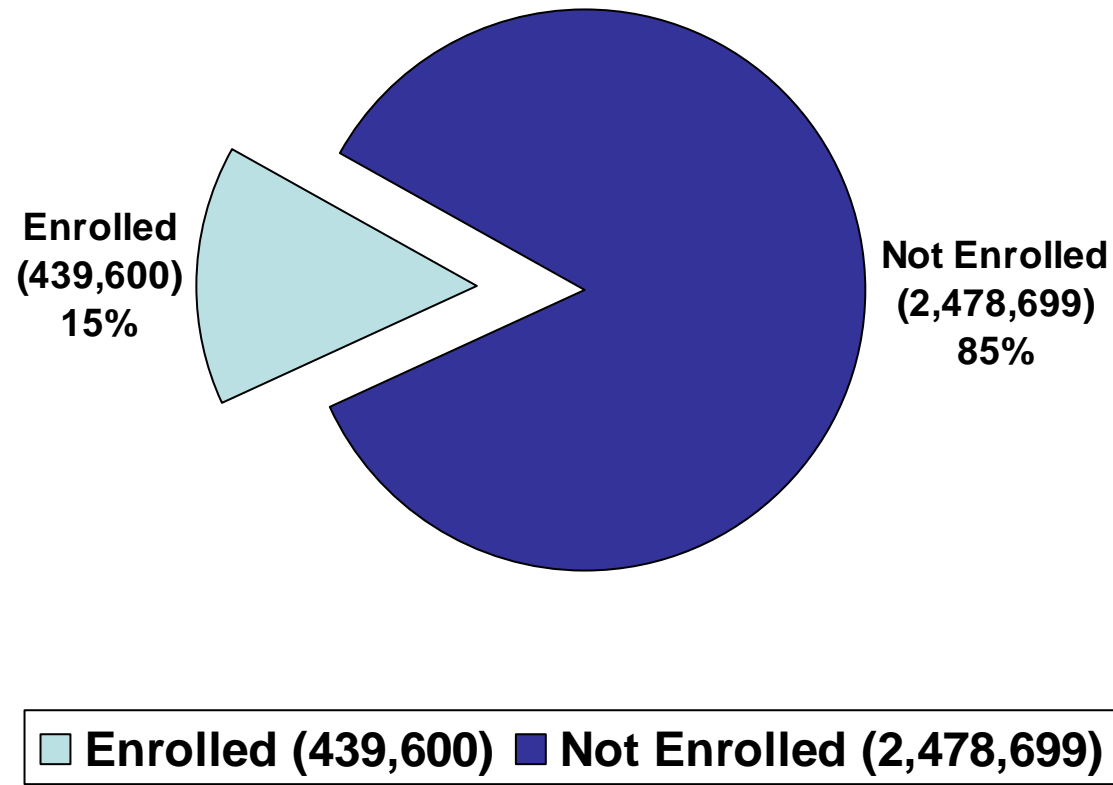
Form 1041 Annual *e-Filing* Volume

Processing Years 2008-2010



Source: 2010 ETA Marketing Database

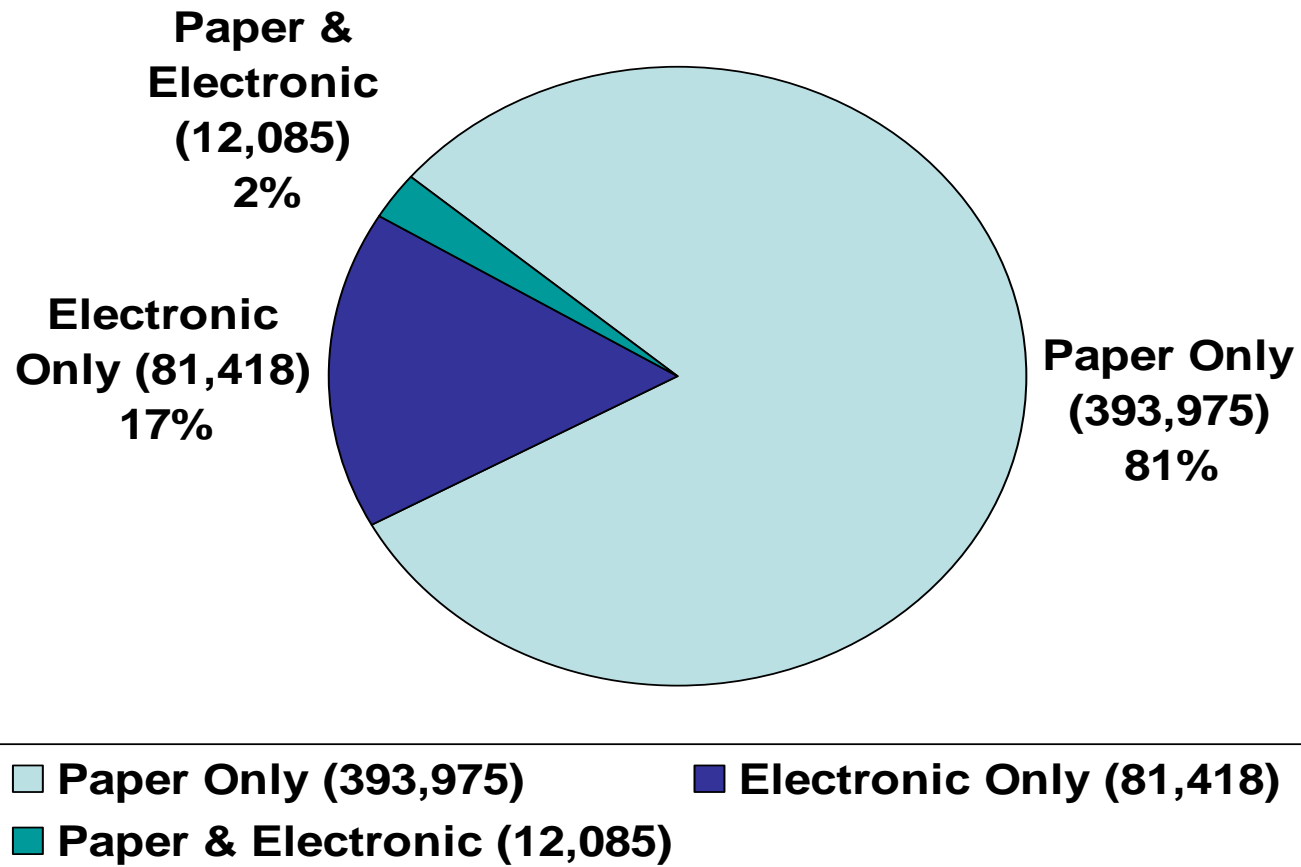
Form 1041 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



Source: 2010 ETA Marketing Database

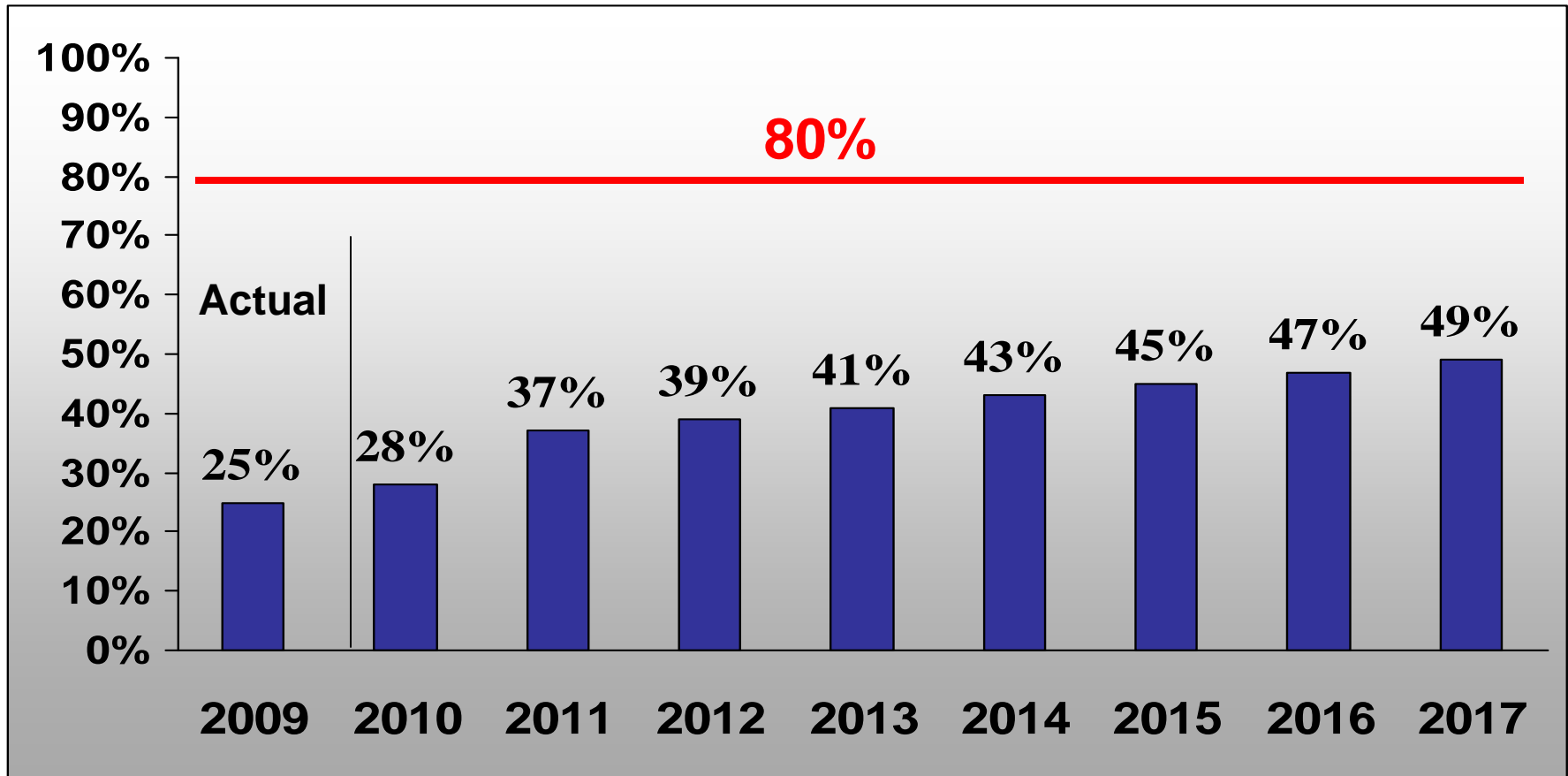
Note that the totals above may not equal the total returns filed

Total Number of Form 1041 Taxpayers Making Form 1041 Payments



Source: 2010 ETA Marketing Database

Form 1041 Projected *e-file* Penetration Rate



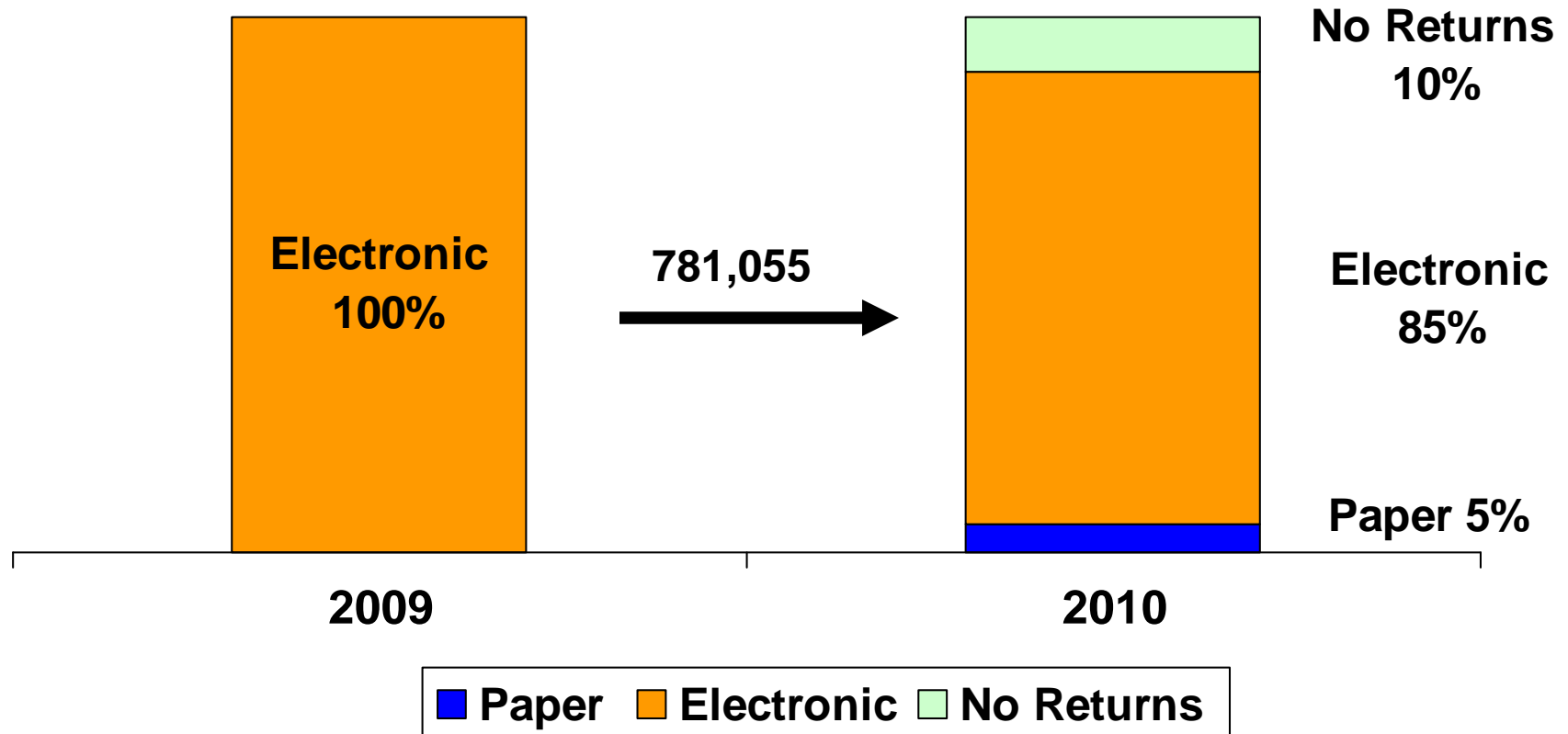
Source: "Calendar Year Return Projections by State: Document 6149"

Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

Form 1041 e-file Loyalty

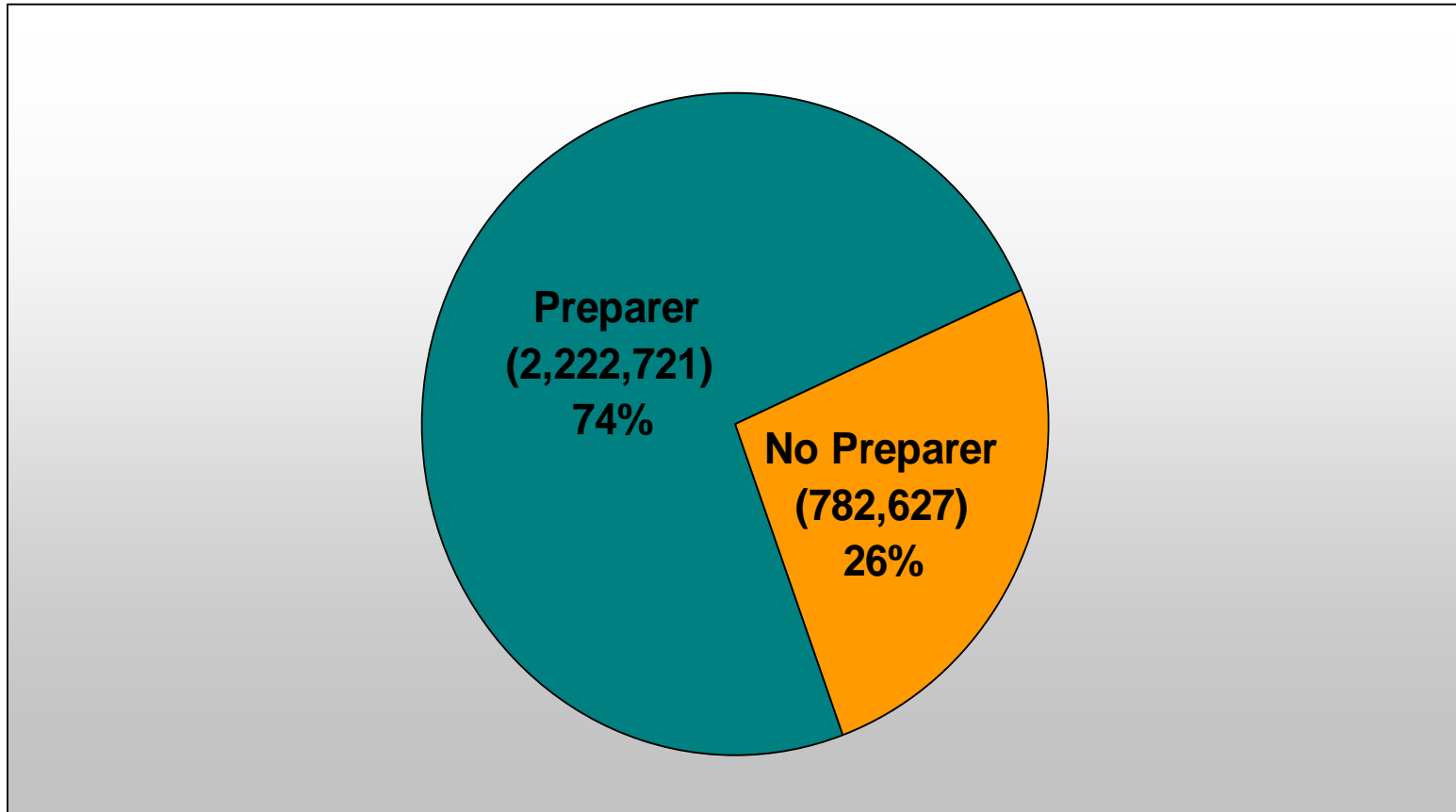
85% of PY2009 Form 1041 electronic filers e-filed in PY2010



Source: 2010 ETA Marketing Database

Preparer/No Preparer

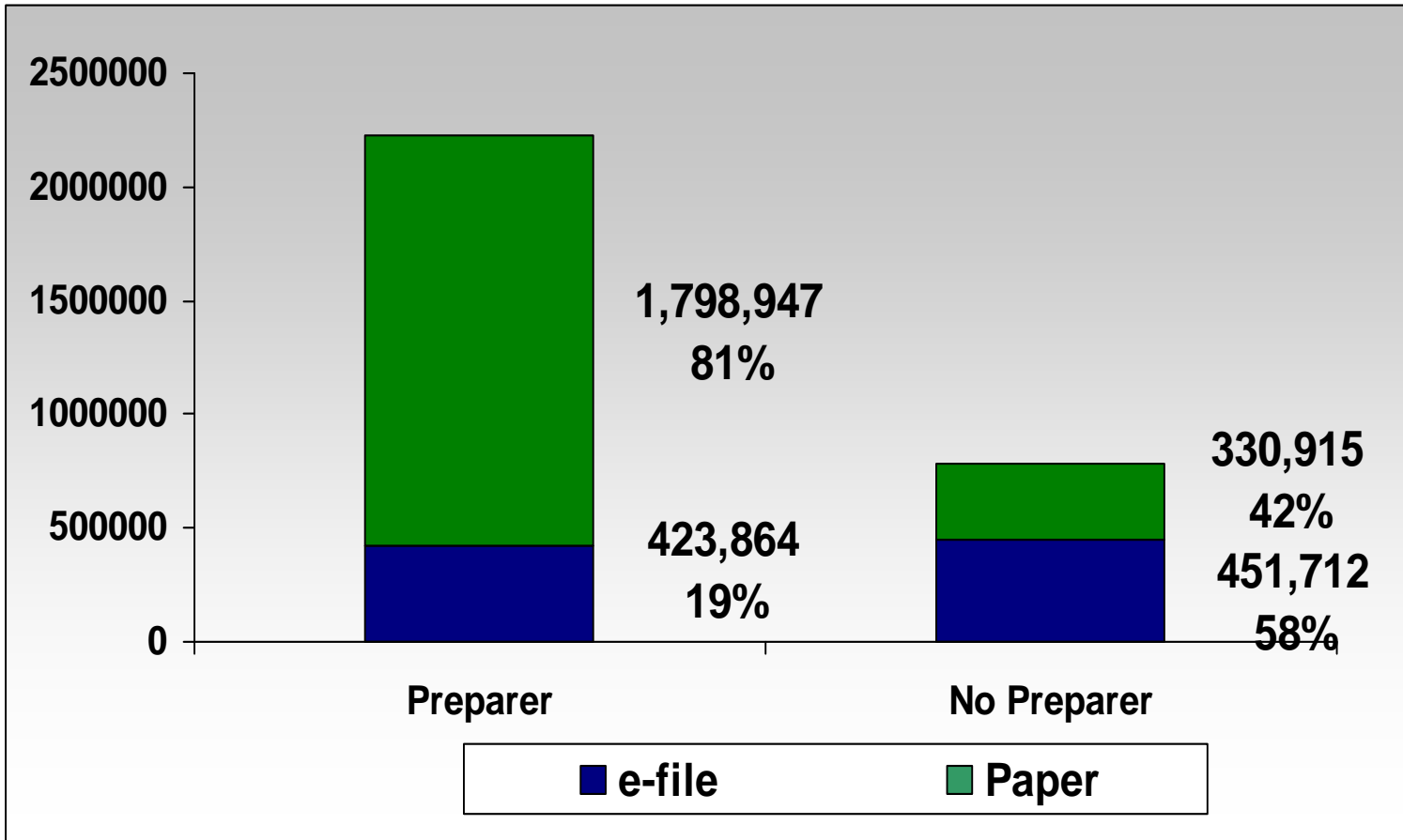
Total: 3,005,348



Processing Year 2010

Source: 2010 ETA Marketing Database

Self & Paid Preparation by Filing Method



Processing Year 2010

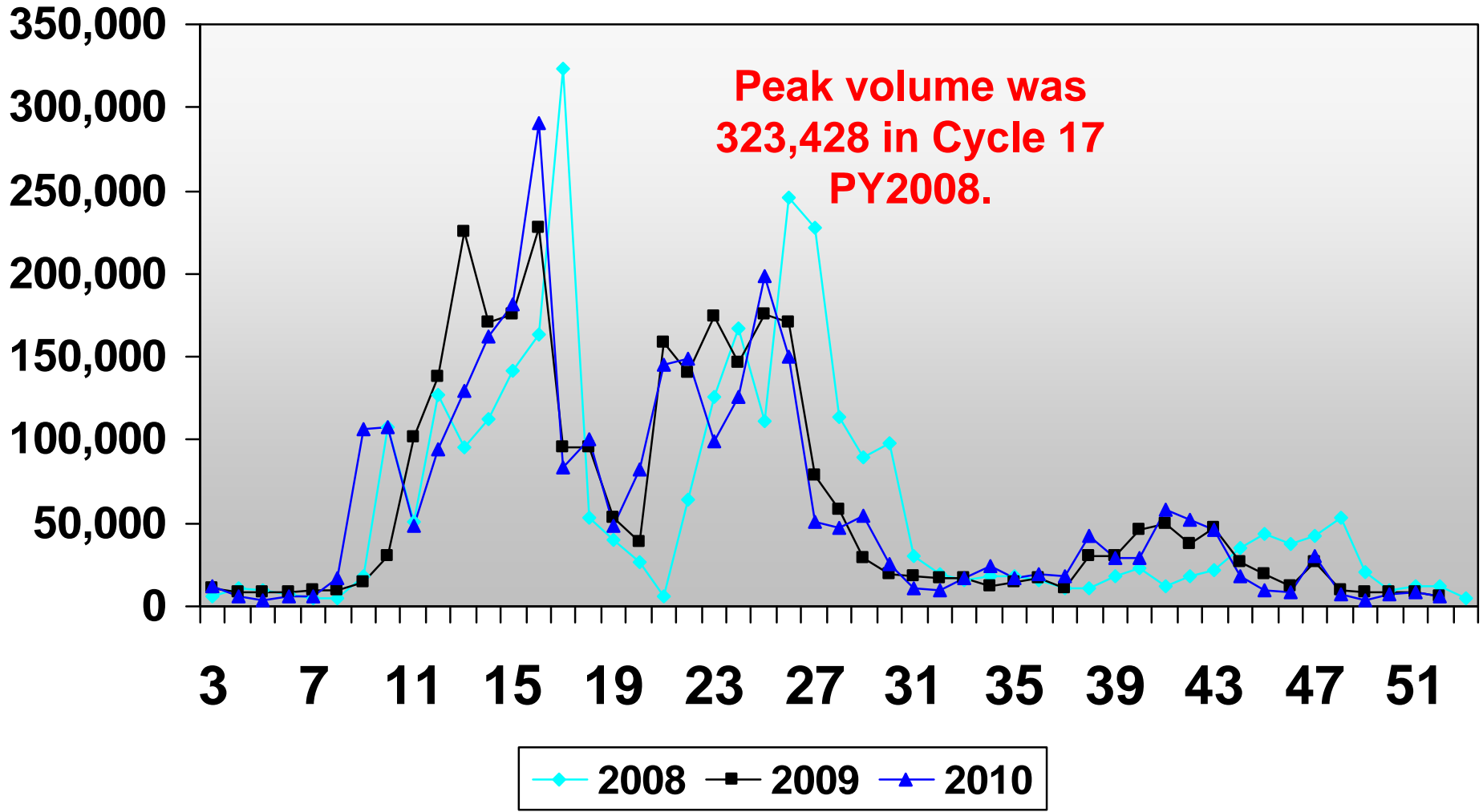
Source: 2010 ETA Marketing Database

These are three forms in the 1041 Series for PY2010:

- Form 1041: 2,131,190
- Form 1041 e-file: 871,576
- Form 1041QFT*: 2,582

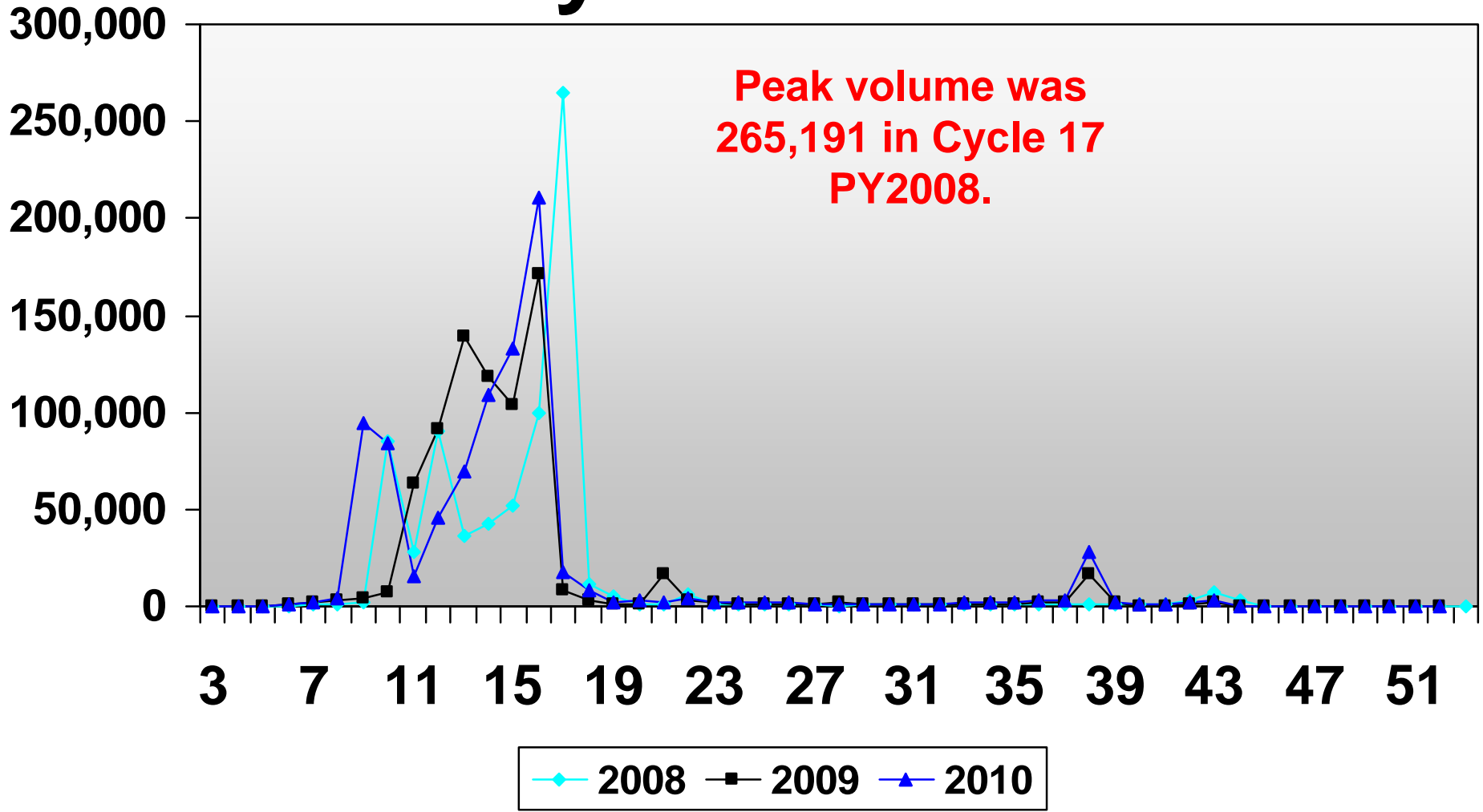
*U.S. Income Tax Return for Qualified Funeral Trusts

Form 1041 Filing Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

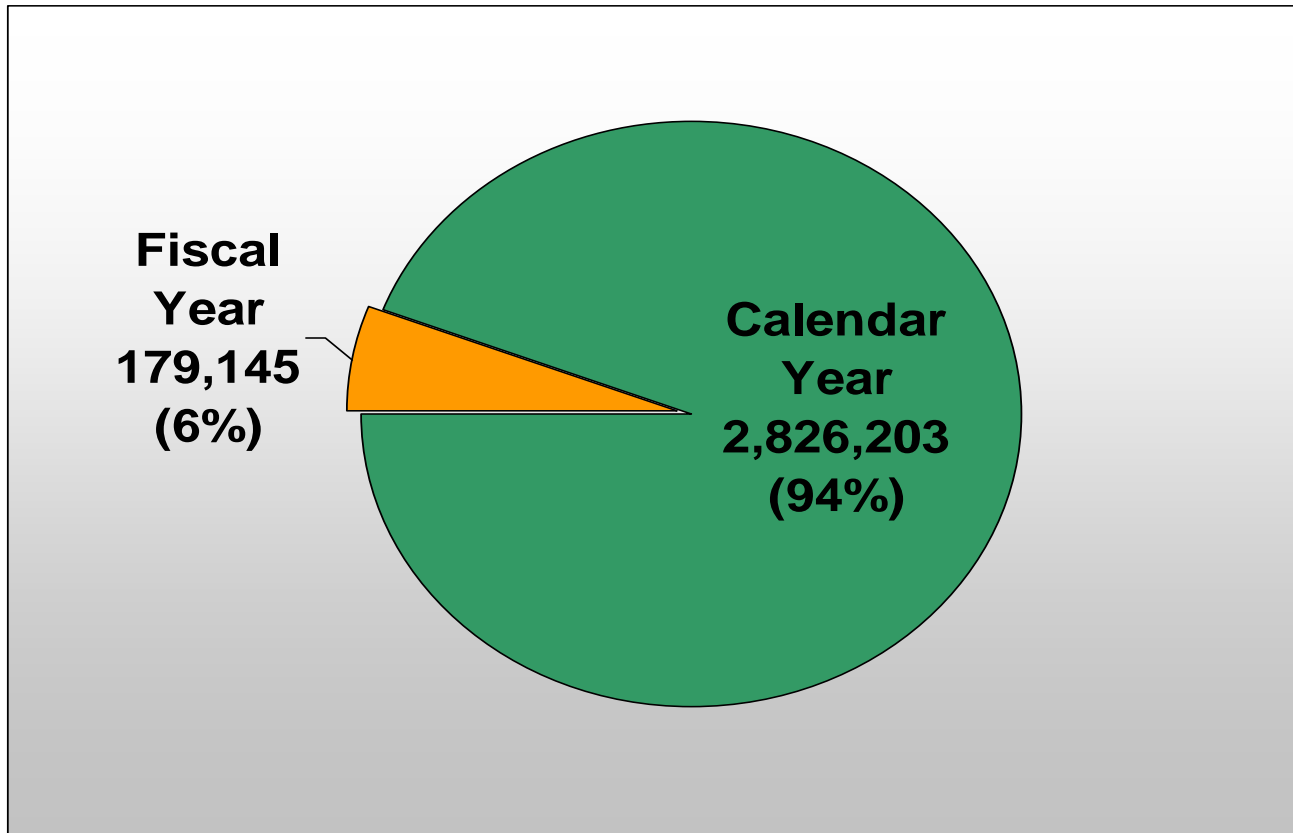
Form 1041 e-file Patterns by Cycle Posted



Source: 2010 ETA Marketing Database

Fiscal Year Returns vs. Calendar Year Returns

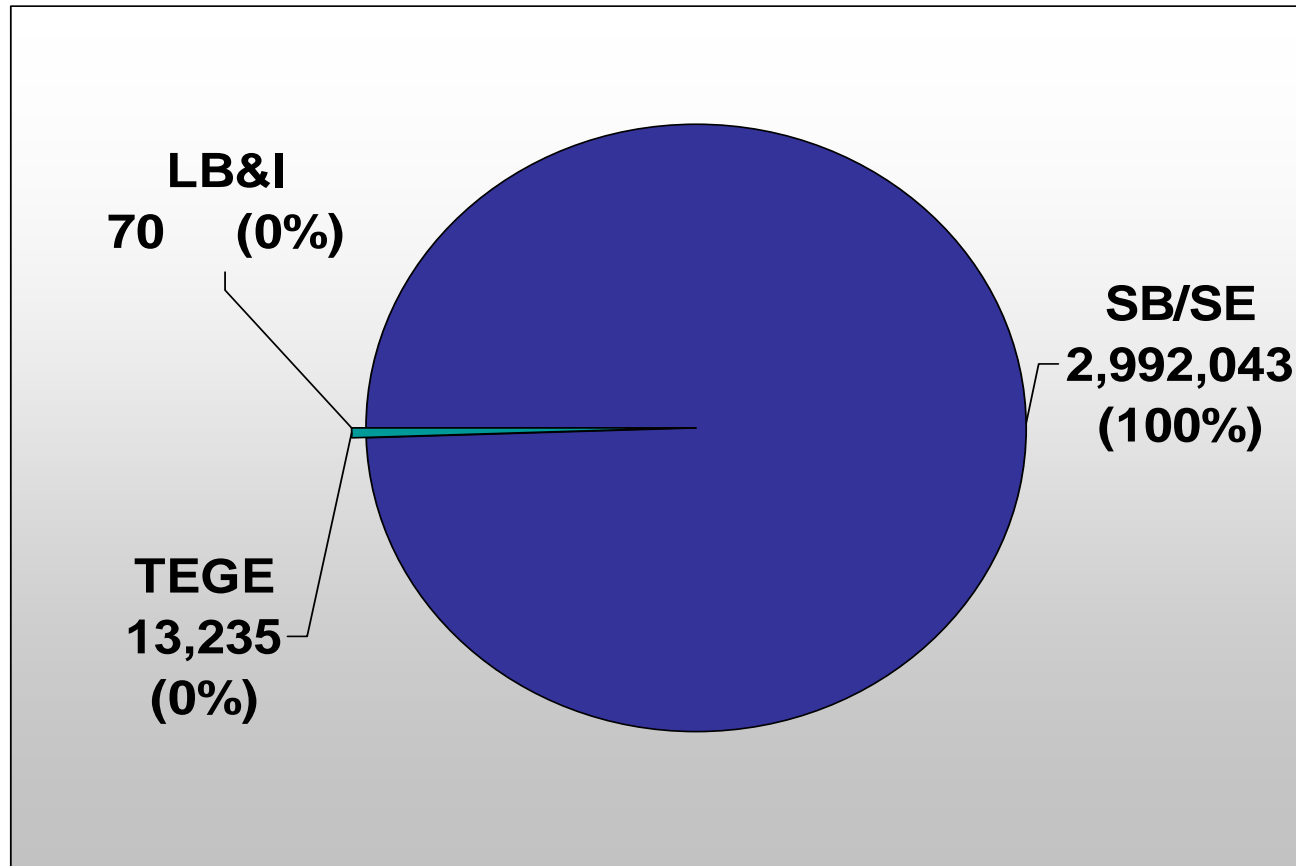
Total: 3,005,348



Processing Year 2010

Forms 1041 by Business Operating Division

Total: 3,005,348



Processing Year 2010

Source: 2010 ETA Marketing Database

Forms 1041 by Industry

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010
813000	Religious, Grantmaking, Civic, Professional, & Similar Organizations	4,619
525000	Funds, Trusts, & Other Financial Vehicles	4,179
525110	Pension Funds	2,234
525920	Trusts, Estates, & Agency Accounts	1,114
813211	Grantmaking Foundations	207
523991	Trust, Fiduciary and Custody Activities	170
523930	Investment Advice	153
520000	Finance and insurance	126
531000	Real Estate	117
525990	Other Financial Vehicles	94

No NAICS code accounted for 1% in Processing Year 2005.

Form 1041 Returns Filed by State

Processing Year 2010

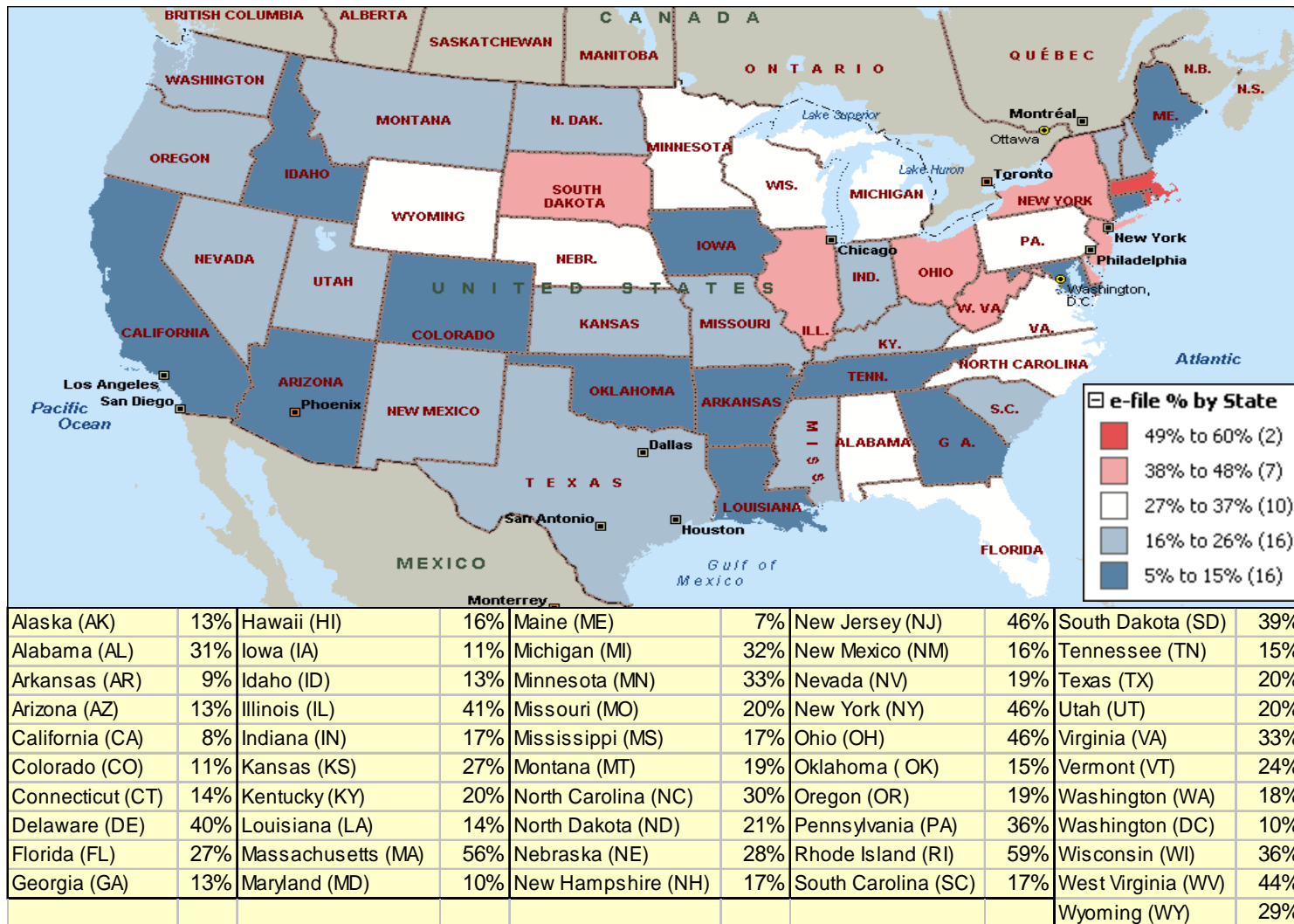


Alaska (AK)	3,839	Hawaii (HI)	13,608	Maine (ME)	27,826	New Jersey (NJ)	139,925	South Dakota (SD)	11,280
Alabama (AL)	30,003	Iowa (IA)	30,347	Michigan (MI)	73,598	New Mexico (NM)	10,670	Tennessee (TN)	36,429
Arkansas (AR)	15,759	Idaho (ID)	8,739	Minnesota (MN)	50,568	Nevada (NV)	16,463	Texas (TX)	202,748
Arizona (AZ)	42,672	Illinois (IL)	209,272	Missouri (MO)	71,423	New York (NY)	267,378	Utah (UT)	14,854
California (CA)	315,571	Indiana (IN)	38,729	Mississippi (MS)	10,235	Ohio (OH)	131,716	Virginia (VA)	69,271
Colorado (CO)	42,149	Kansas (KS)	26,574	Montana (MT)	7,706	Oklahoma (OK)	27,098	Vermont (VT)	8,240
Connecticut (CT)	49,690	Kentucky (KY)	25,141	North Carolina (NC)	64,318	Oregon (OR)	35,271	Washington (WA)	60,123
Delaware (DE)	24,376	Louisiana (LA)	19,999	North Dakota (ND)	6,196	Pennsylvania (PA)	167,286	Washington (DC)	7,010
Florida (FL)	172,242	Massachusetts (MA)	150,475	Nebraska (NE)	19,687	Rhode Island (RI)	28,474	Wisconsin (WI)	64,203
Georgia (GA)	46,380	Maryland (MD)	51,350	New Hampshire (NH)	14,381	South Carolina (SC)	21,614	West Virginia (WV)	12,749
								Wyoming (WY)	6,394

Source: 2010 ETA Marketing Database

Form 1041 e-file Penetration by State

Processing Year 2010



Source: 2010 ETA Marketing Database

Note that state color may appear incorrect due to rounding

Form 1041 Summary

- **49% of all Forms 1041 are projected to be filed electronically in 2017.**
- **15% of all Form 1041 taxpayers are enrolled in EFTPS.**
- **Form 1041 *e-filers* have an 85% loyalty rate.**
- **SB/SE accounts for 100% of Forms 1041.**
- **No one NAICS Code accounted for 1% of Forms 1041.**
- **74% of Form 1041 filers use a preparer.**
- **The top two *e-file* transmitters account for 23% of all Forms 1041.**
- **The top 10 Form 1041 preparers collectively filed 57% of their returns electronically .**

508 Accessible Table for Slide 23 – Forms 1041 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	3,839	Illinois (IL)	209,272	North Carolina (NC)	64,318	South Carolina (SC)	21,614
Alabama (AL)	30,003	Indiana (IN)	38,729	North Dakota (ND)	6,196	South Dakota (SD)	11,280
Arkansas (AR)	15,759	Kansas (KS)	26,574	Nebraska (NE)	19,687	Tennessee (TN)	36,429
Arizona (AZ)	42,672	Kentucky (KY)	25,141	New Hampshire (NH)	14,381	Texas (TX)	202,748
California (CA)	315,571	Louisiana (LA)	19,999	New Jersey (NJ)	139,925	Utah (UT)	14,854
Colorado (CO)	42,149	Massachusetts (MA)	150,475	New Mexico (NM)	10,670	Virginia (VA)	69,271
Connecticut (CT)	49,690	Maryland (MD)	51,350	Nevada (NV)	16,463	Vermont (VT)	8,240
Delaware (DE)	24,376	Maine (ME)	27,826	New York (NY)	267,378	Washington (WA)	60,123
Florida (FL)	172,242	Michigan (MI)	73,598	Ohio (OH)	131,716	Washington (DC)	7,010
Georgia (GA)	46,380	Minnesota (MN)	50,568	Oklahoma (OK)	27,098	Wisconsin (WI)	64,203
Hawaii (HI)	13,608	Missouri (MO)	71,423	Oregon (OR)	35,271	West Virginia (WV)	12,749
Iowa (IA)	30,347	Mississippi (MS)	10,235	Pennsylvania (PA)	167,286	Wyoming (WY)	6,394
Idaho (ID)	8,739	Montana (MT)	7,706	Rhode Island (RI)	28,474		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 24 – Forms 1041 e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	13%	Illinois (IL)	41%	North Carolina (NC)	30%	South Carolina (SC)	17%
Alabama (AL)	31%	Indiana (IN)	17%	North Dakota (ND)	21%	South Dakota (SD)	39%
Arkansas (AR)	9%	Kansas (KS)	27%	Nebraska (NE)	28%	Tennessee (TN)	15%
Arizona (AZ)	13%	Kentucky (KY)	20%	New Hampshire (NH)	17%	Texas (TX)	20%
California (CA)	8%	Louisiana (LA)	14%	New Jersey (NJ)	46%	Utah (UT)	20%
Colorado (CO)	11%	Massachusetts (MA)	56%	New Mexico (NM)	16%	Virginia (VA)	33%
Connecticut (CT)	14%	Maryland (MD)	10%	Nevada (NV)	19%	Vermont (VT)	24%
Delaware (DE)	40%	Maine (ME)	7%	New York (NY)	46%	Washington (WA)	18%
Florida (FL)	27%	Michigan (MI)	32%	Ohio (OH)	46%	Washington (DC)	10%
Georgia (GA)	13%	Minnesota (MN)	33%	Oklahoma (OK)	15%	Wisconsin (WI)	36%
Hawaii (HI)	16%	Missouri (MO)	20%	Oregon (OR)	19%	West Virginia (WV)	44%
Iowa (IA)	11%	Mississippi (MS)	17%	Pennsylvania (PA)	36%	Wyoming (WY)	29%
Idaho (ID)	13%	Montana (MT)	19%	Rhode Island (RI)	59%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 1065**

**Electronic Tax Administration
Business ETA Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 1065 for
Processing Year (PY) 2010

Acknowledgements

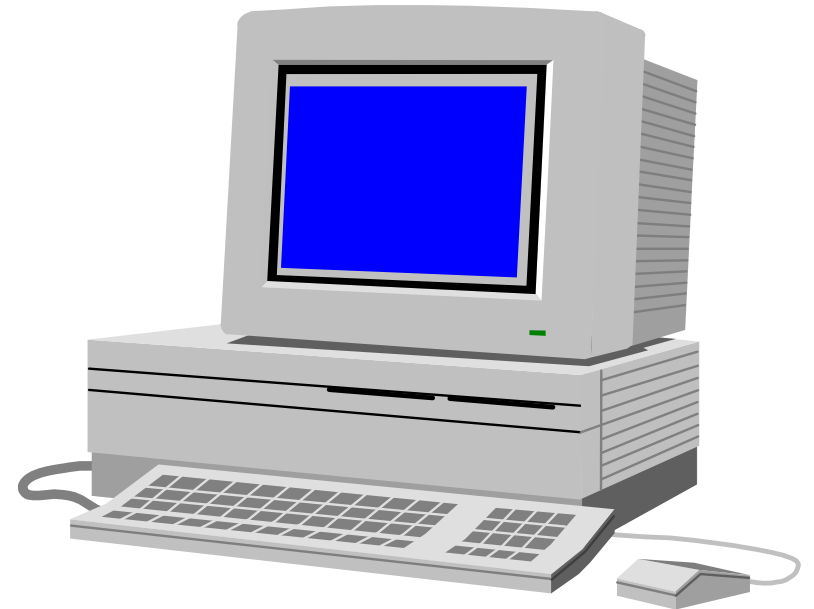
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains information on all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



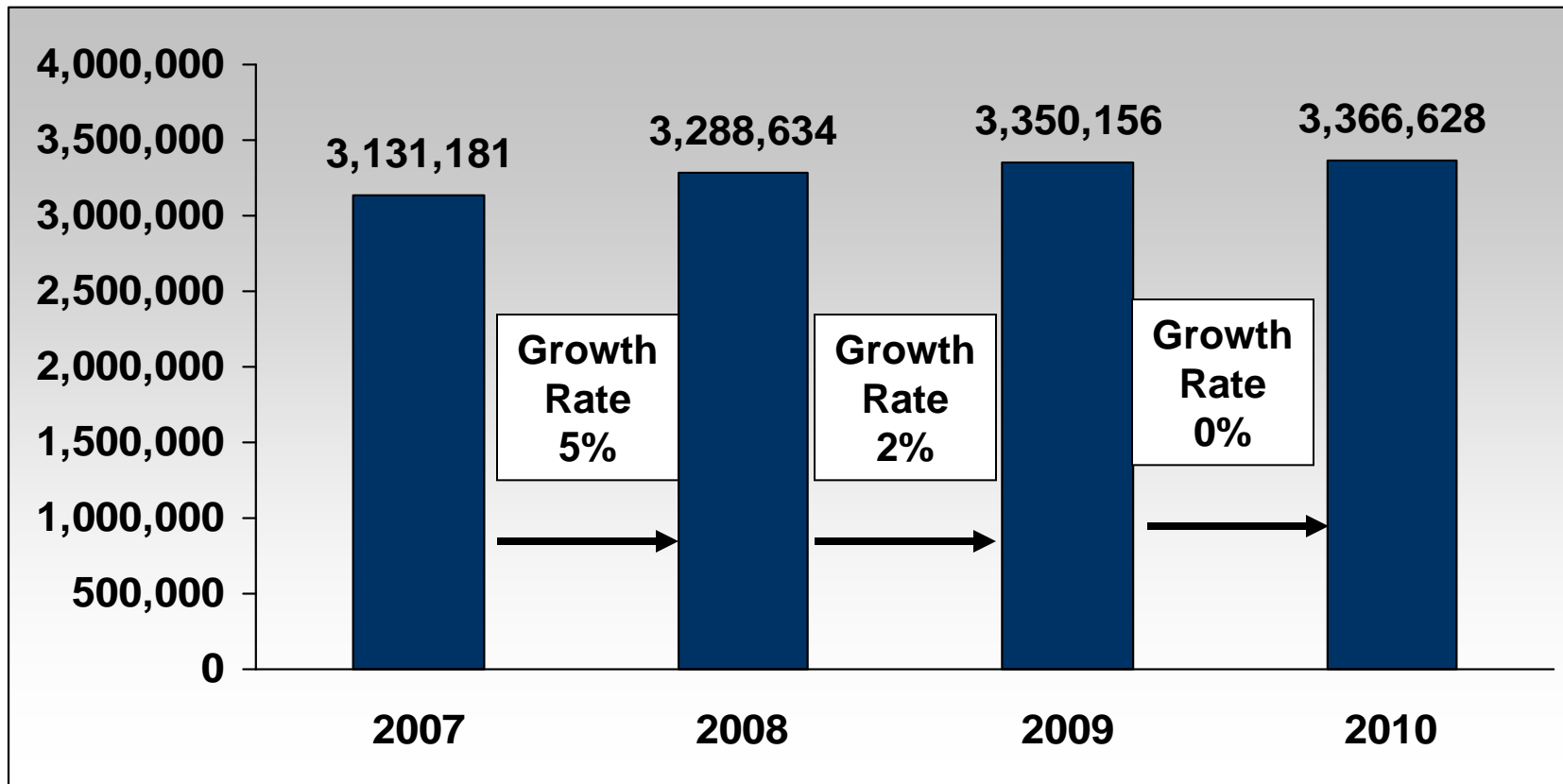
Form 1065 Filers

Return of Partnership Income

Processing Year 2010

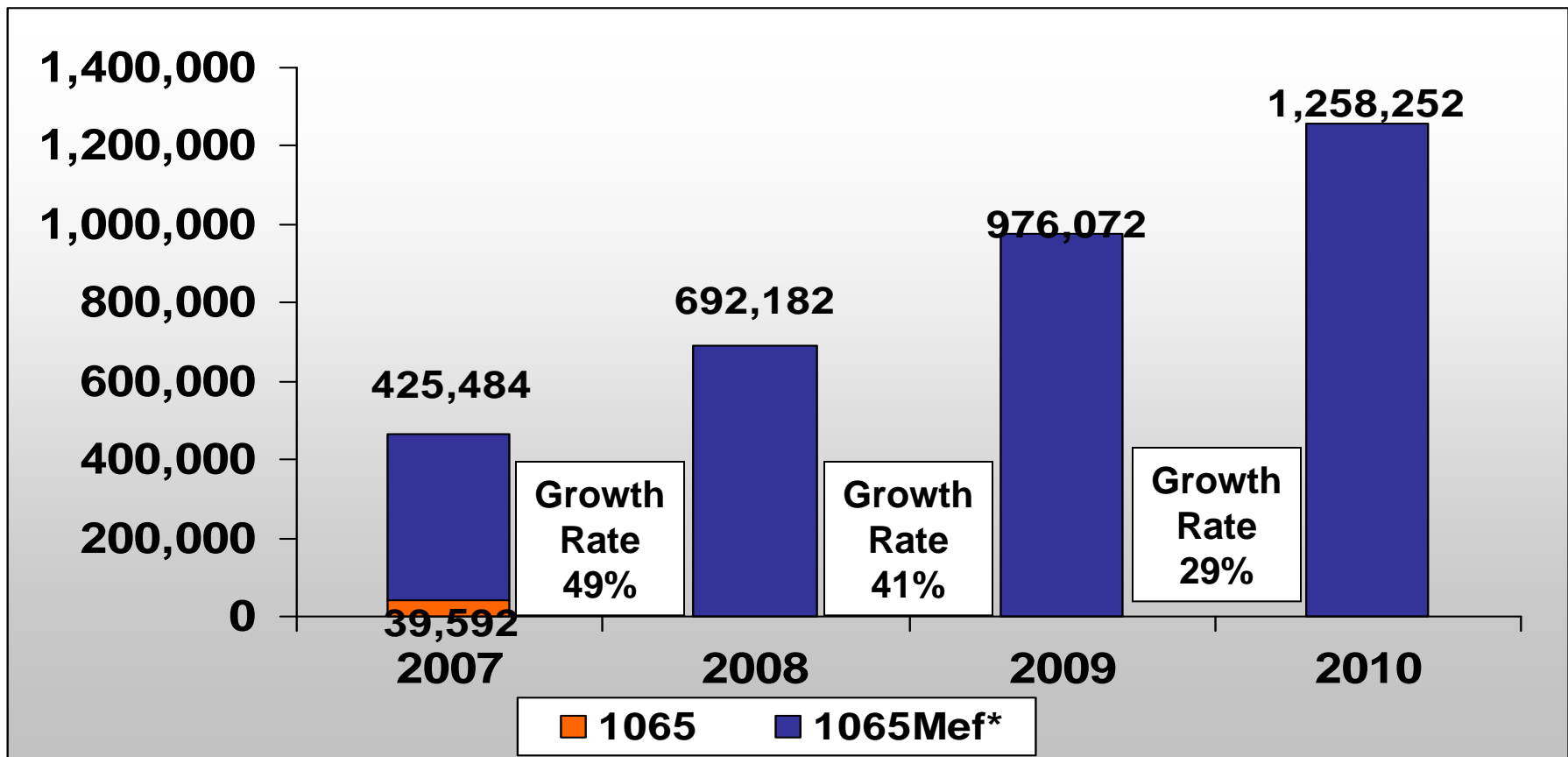


Form 1065 Annual Filing Volume Processing Years 2008-2010



Source: 2010 ETA Marketing Database

Annual Filing Volume for *e-file* Form 1065 Processing Years 2007 - 2010



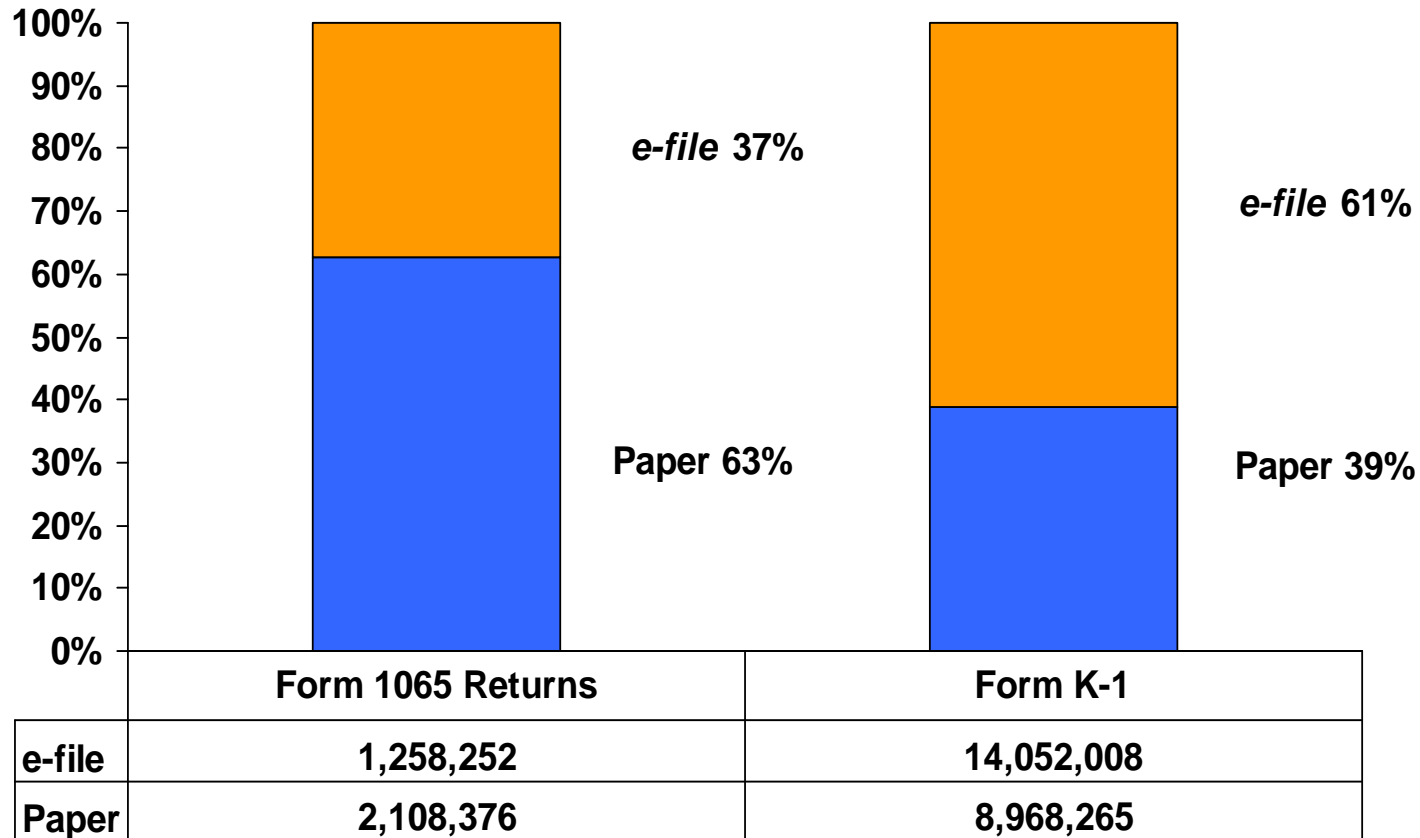
* MeF = Modernized e-file

Source: 2010 ETA Marketing Database

Forms K-1 Associated to Form 1065 Returns

(where each partner is issued one Form K-1)

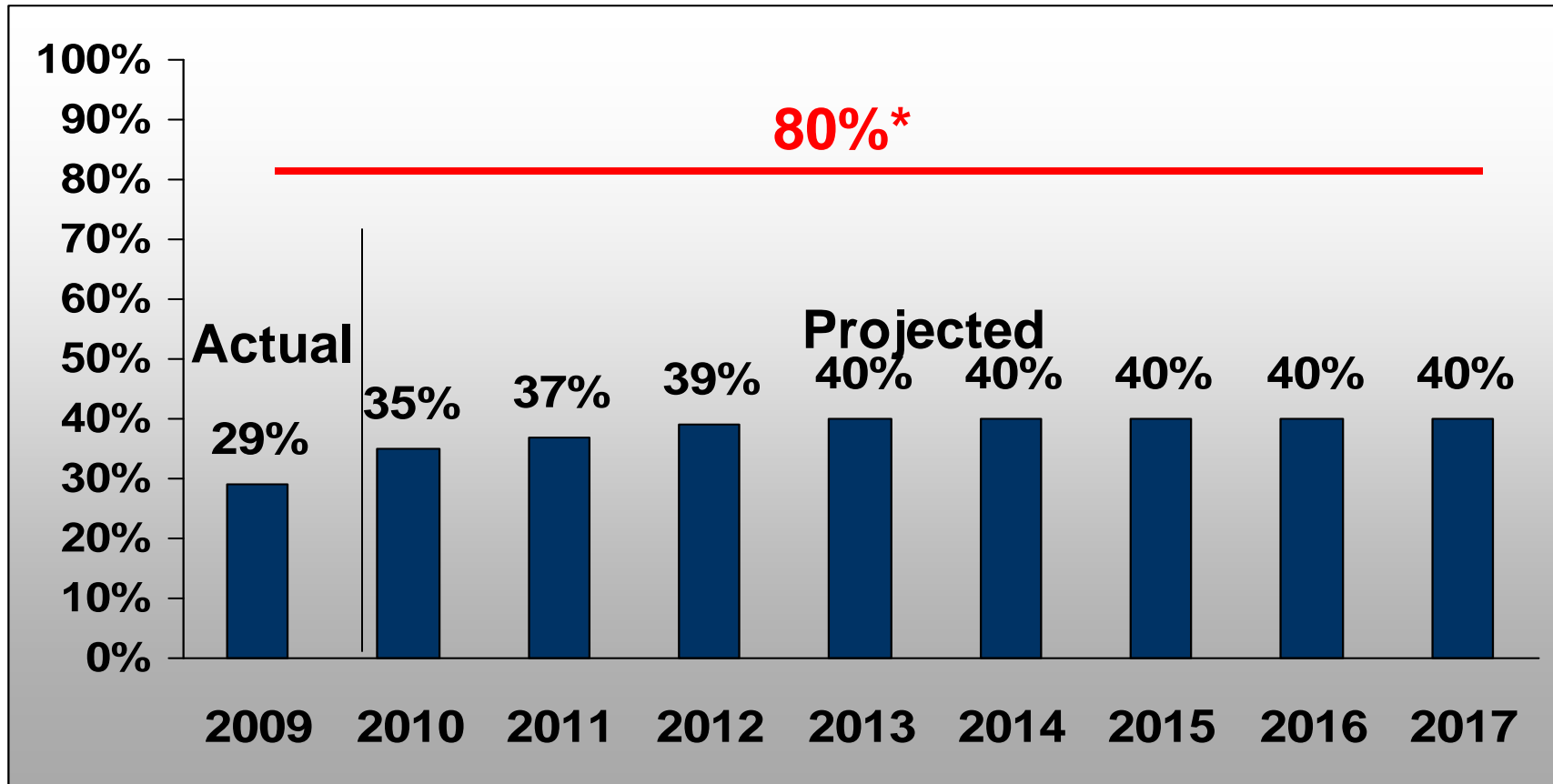
Processing Year 2010



Source: 2010 ETA Marketing Database

**In Processing Year
2010, 37% of all Form
1065 Returns were
filed electronically.**

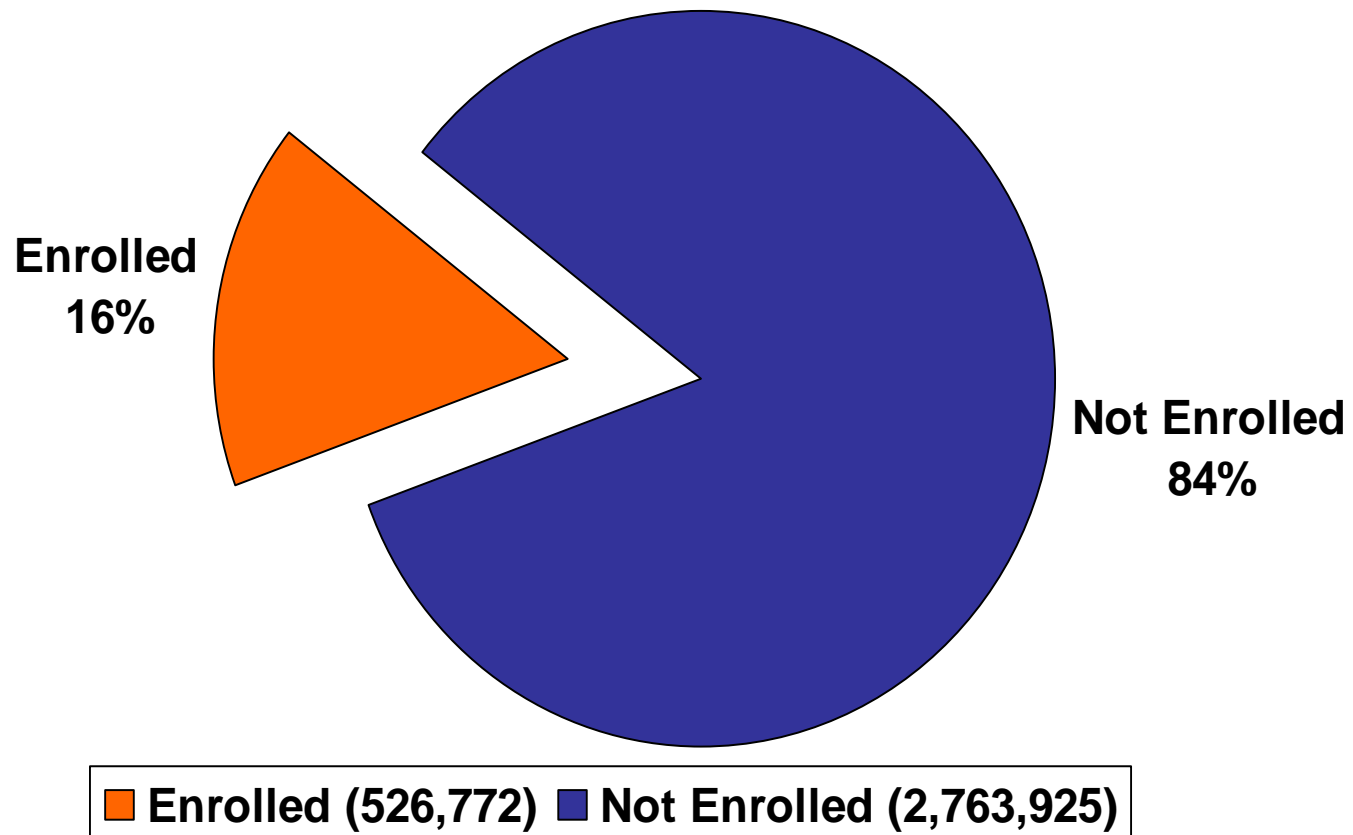
Form 1065 Projected Electronic Filing Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

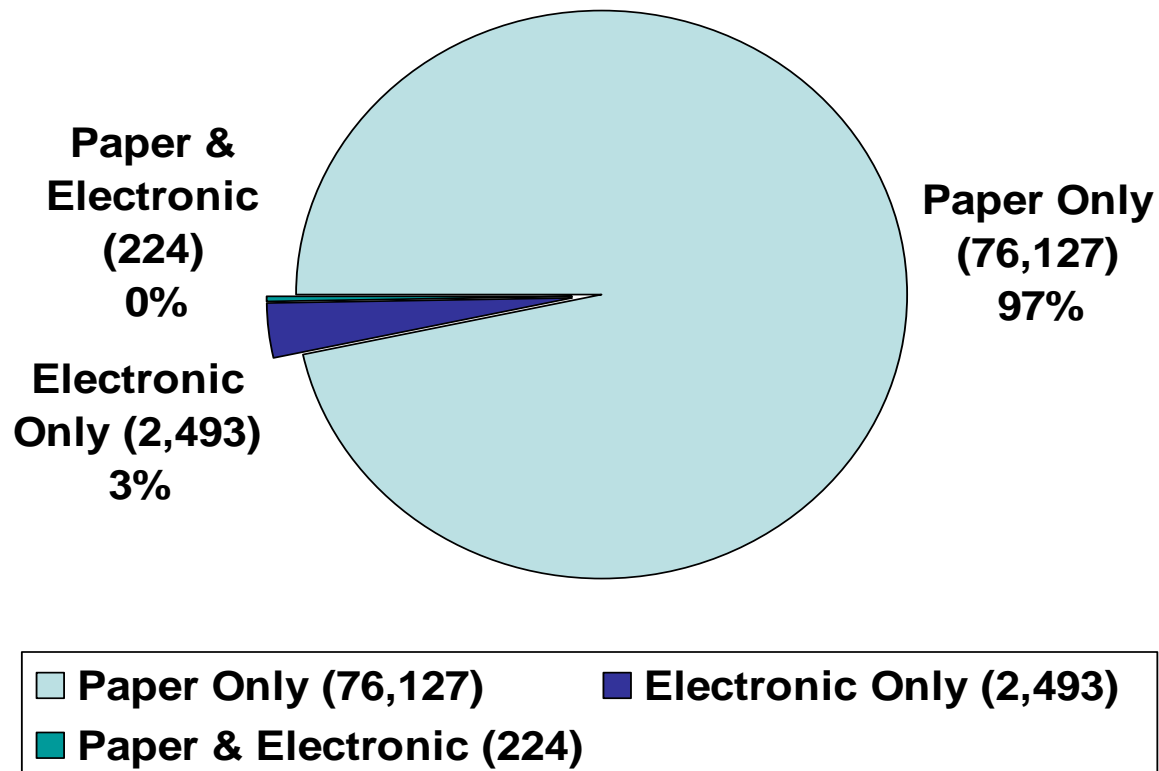
Form 1065 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

Payment Method Used by Form 1065 Taxpayers Making Form 1065 Payments* Processing Year 2010

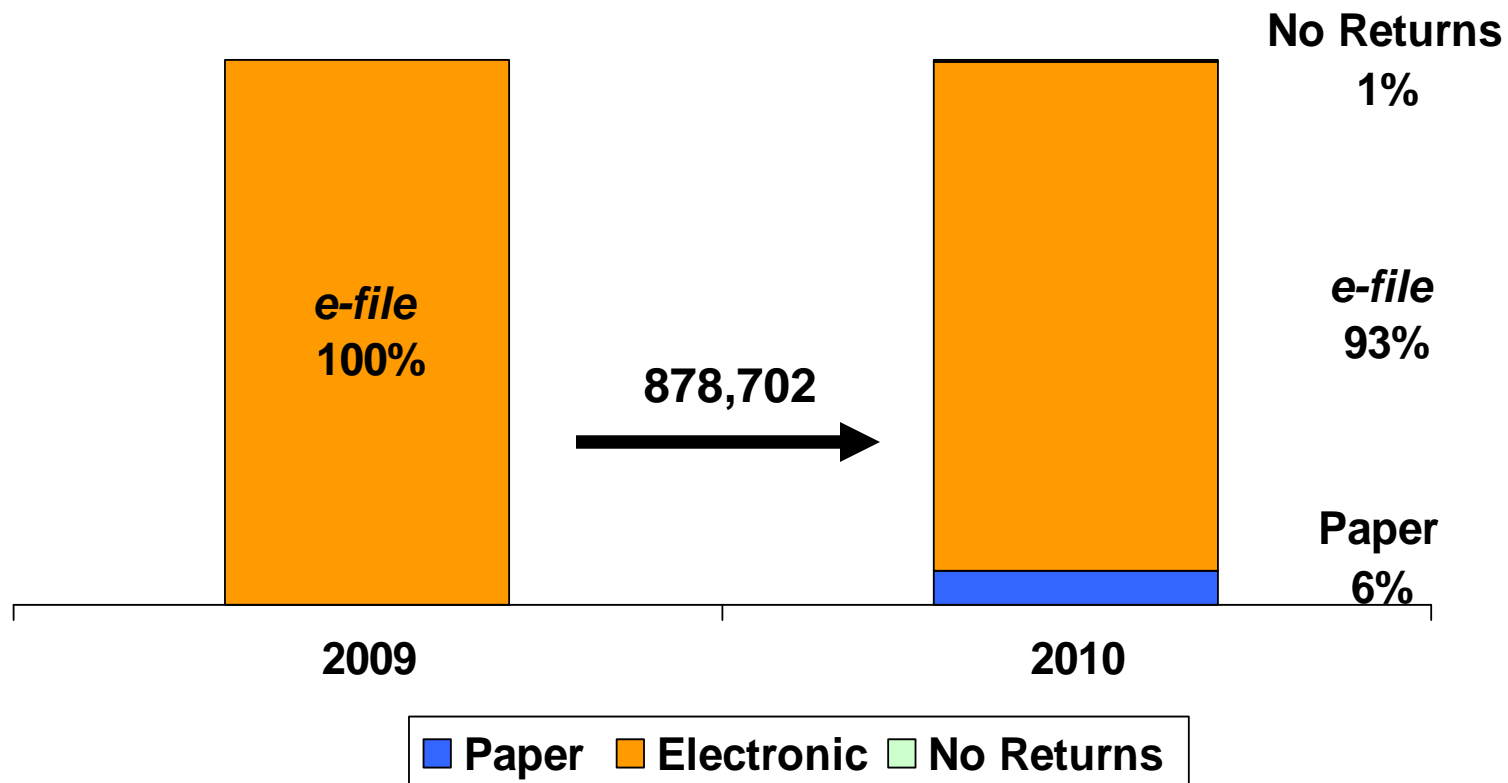


Source: 2010 ETA Marketing Database

* Determined using only Form 1065 Payment Table records

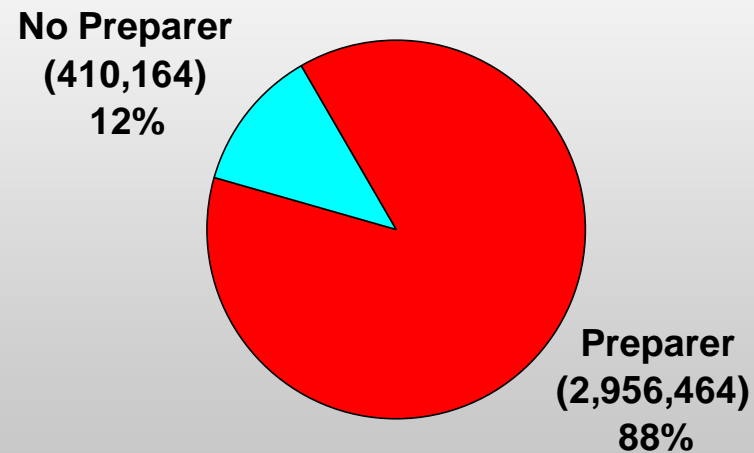
Form 1065 e-file Loyalty

93% of PY2009 Form 1065 electronic filers, e-filed in PY2010



Source: 2010 ETA Marketing Database

Form 1065 Preparer/ No Preparer Processing Year 2010



Source: 2010 ETA Marketing Database

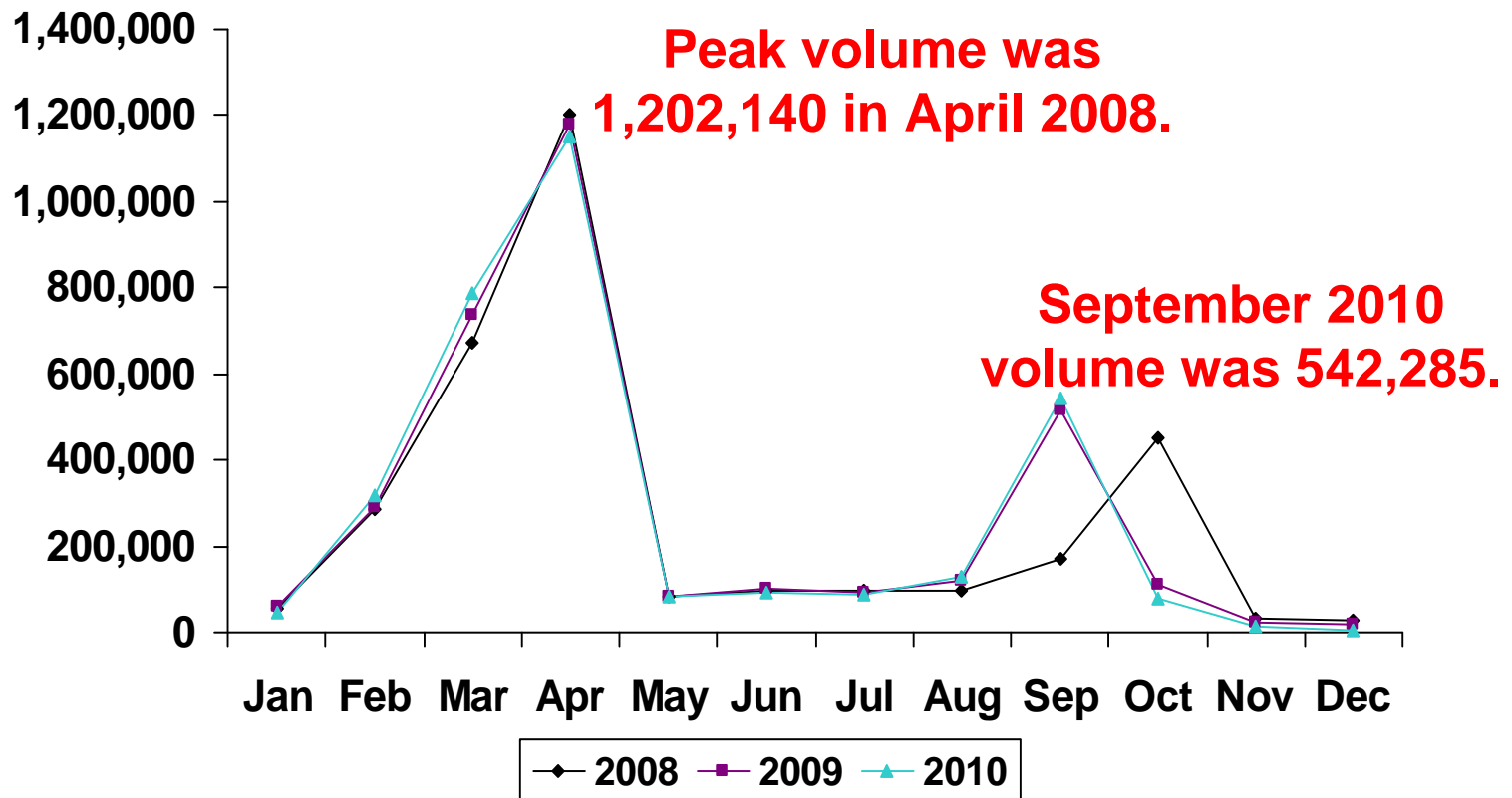
Form 1065 Effect of Mandates

Processing Year 2010

If Preparers were mandated to e-file at:	Preparers Impacted*	Reduction in Paper Returns
>100 Returns	2,338	192,237
>50 Returns	10,022	496,550
>10 Returns	62,896	1,302,181

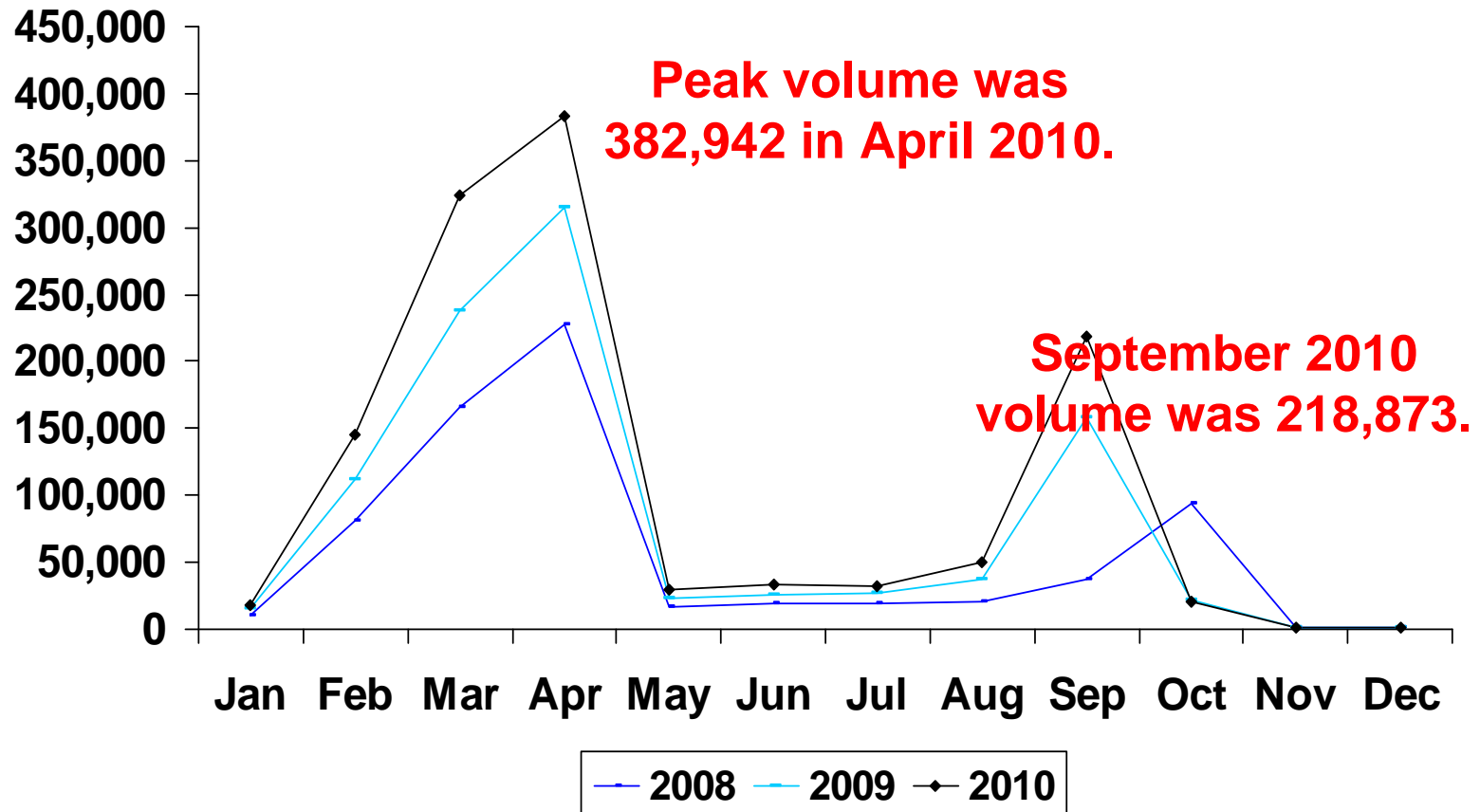
Source: 2010 ETA Marketing Database * Impacted preparers are those who meet the mandate limit and currently file paper returns.

Form 1065 Monthly Filing Patterns



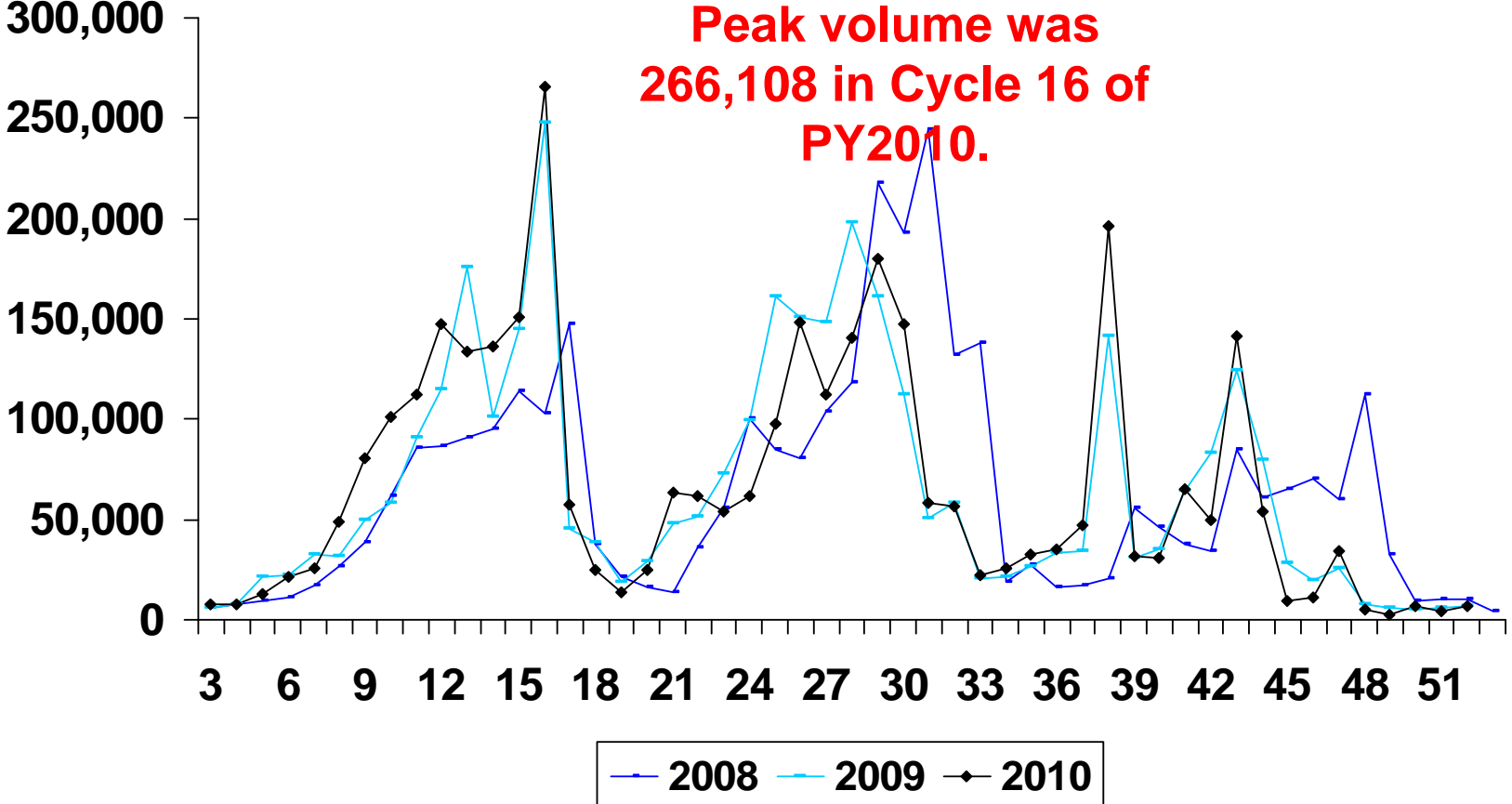
Source: 2010 ETA Marketing Database

e-file Form 1065 Monthly Filing Patterns



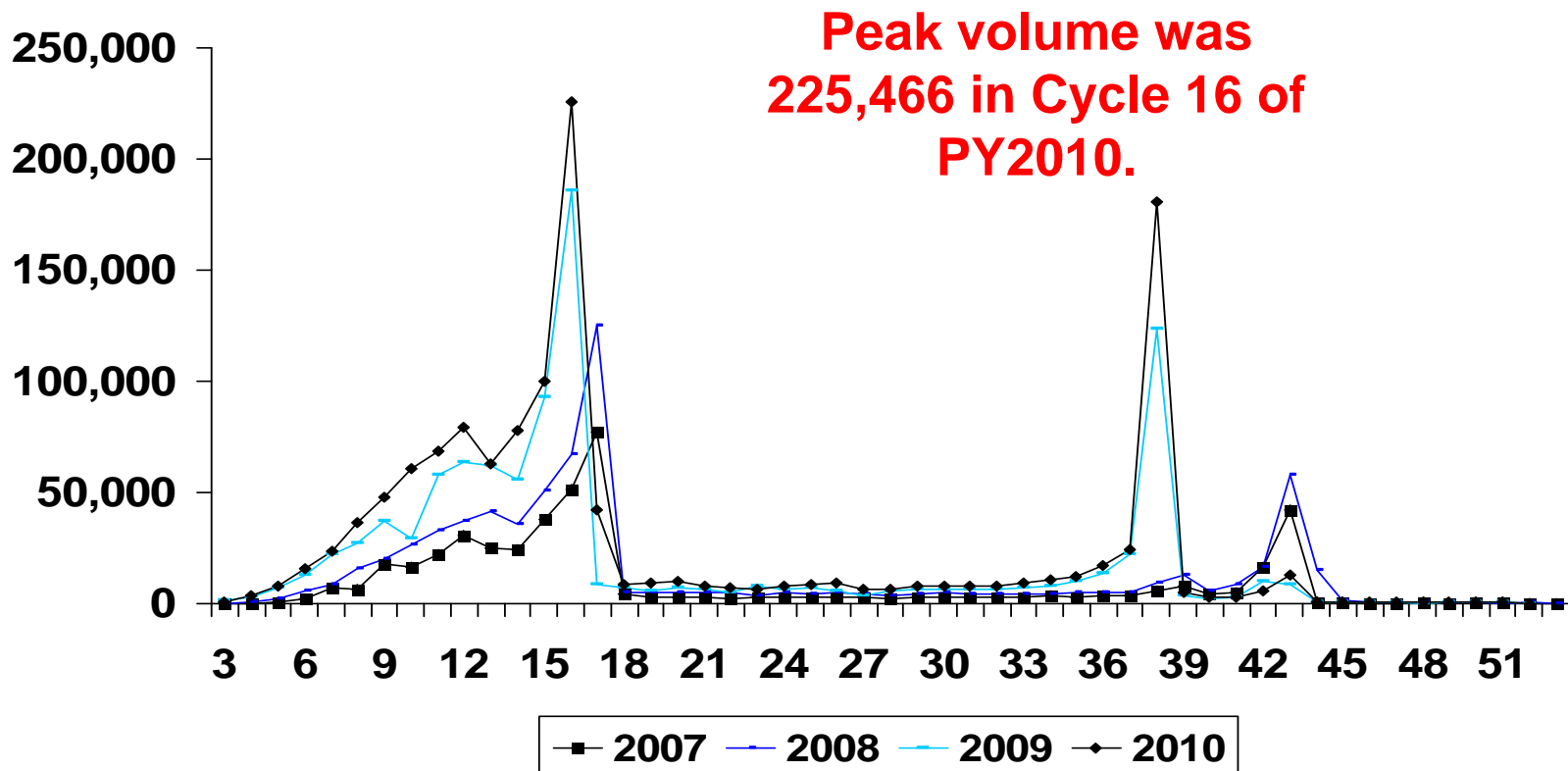
Source: 2010 ETA Marketing Database

Form 1065 Filing Pattern by Cycle Posted



Source: 2010 ETA Marketing Database

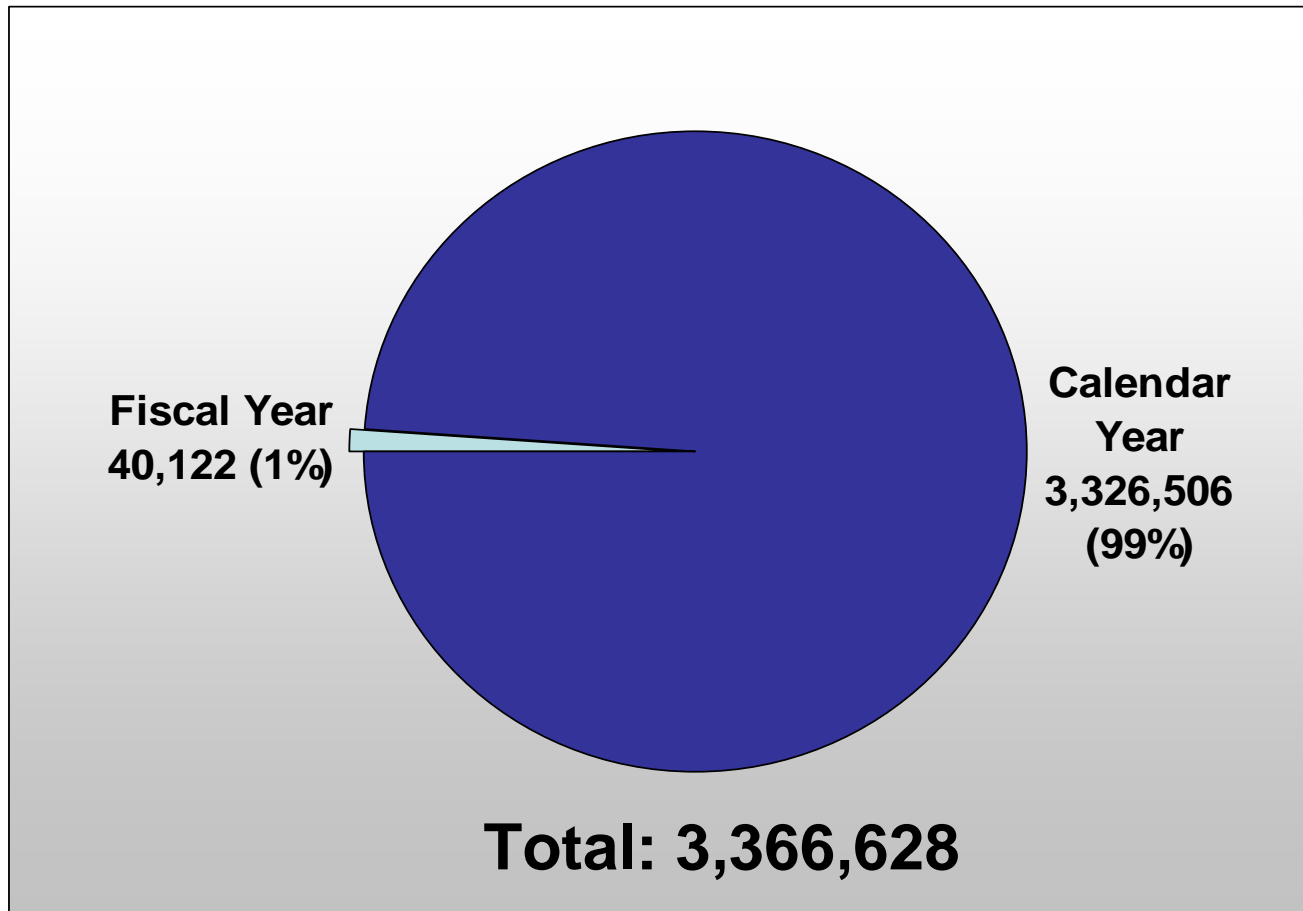
Form 1065 e-file Filing Pattern by Cycle Posted



Source: 2010 ETA Marketing Database

Form 1065 Fiscal Year Returns vs. Calendar Year Returns

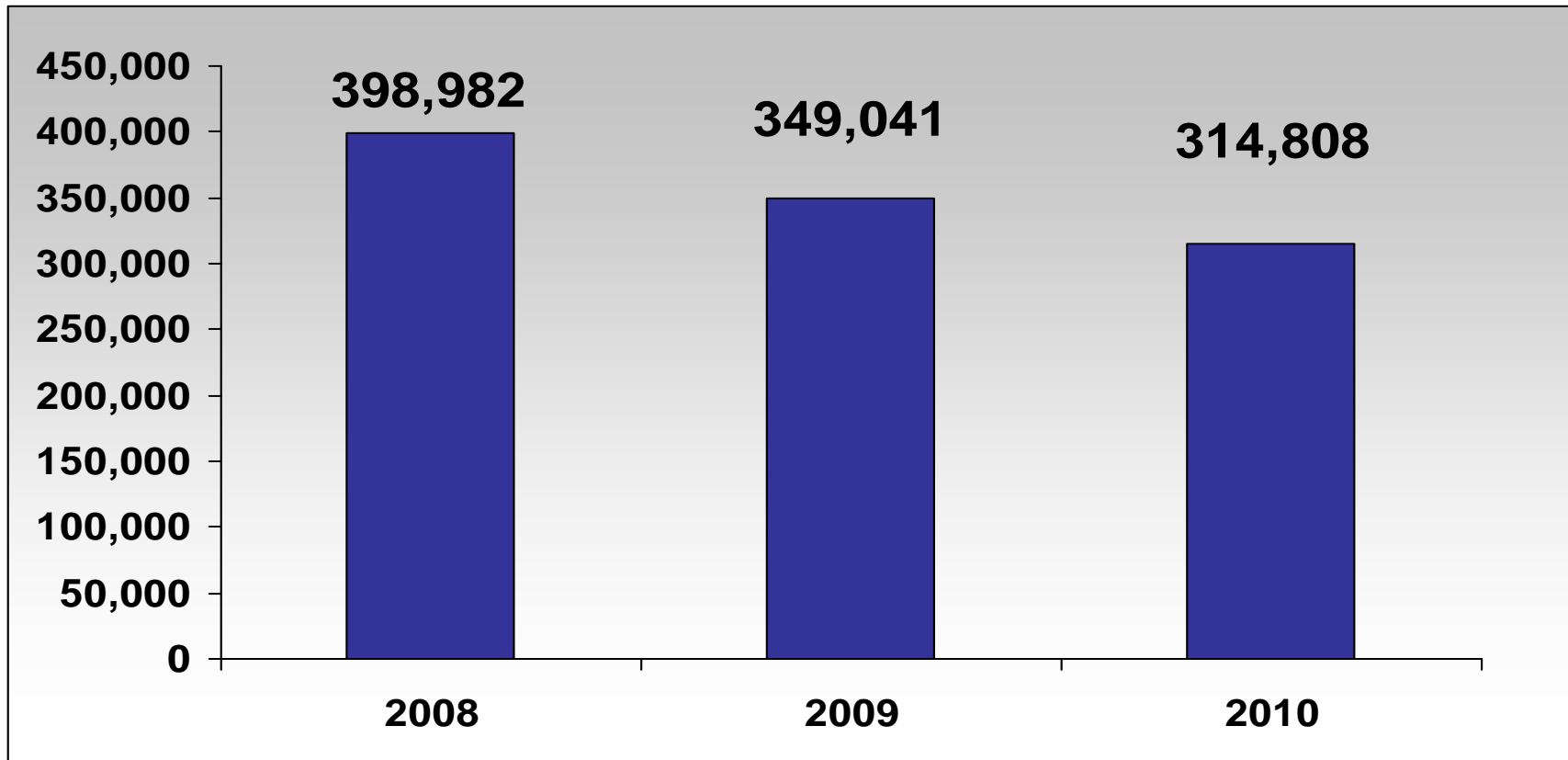
Processing Year 2010



Source: 2010 ETA Marketing Database

Initial Partnership Filings

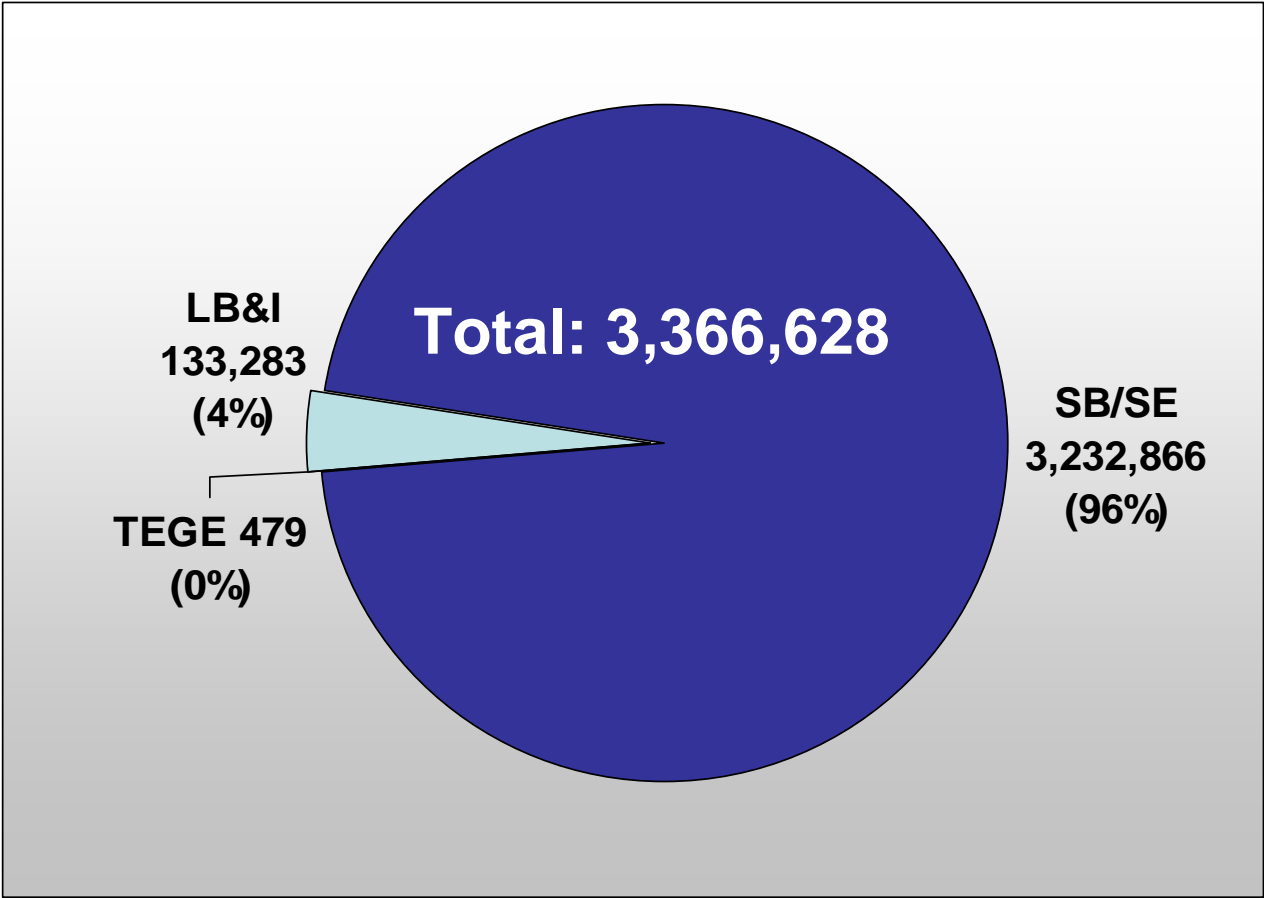
Processing Years 2008-2010



Source: 2010 ETA Marketing Database

Form 1065 Returns by Business Operating Division

Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 1065 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
531120	Lessors of Nonresidential Buildings	497,804	15%
531110	Lessors of Residential Buildings	438,350	13%
531390	Other Activities Related to Real Estate	336,451	10%
523900	Other Financial Investment Activities	177,525	5%
531190	Lessors of Other Real Estate Property	100,900	3%
531310	Real Estate Property Managers	70,065	2%
236110	Residential Building Construction	61,128	2%
525990	Other Financial Vehicles	53,920	2%
541990	All Other Professional, Scientific	48,363	1%
722110	Full-Service Restaurants	36,668	1%

45% of 1065 returns represent real estate related activities

*** The percentage of all Form 1065 returns filed in PY2010**

Most e-filed Forms 1065 by NAICS

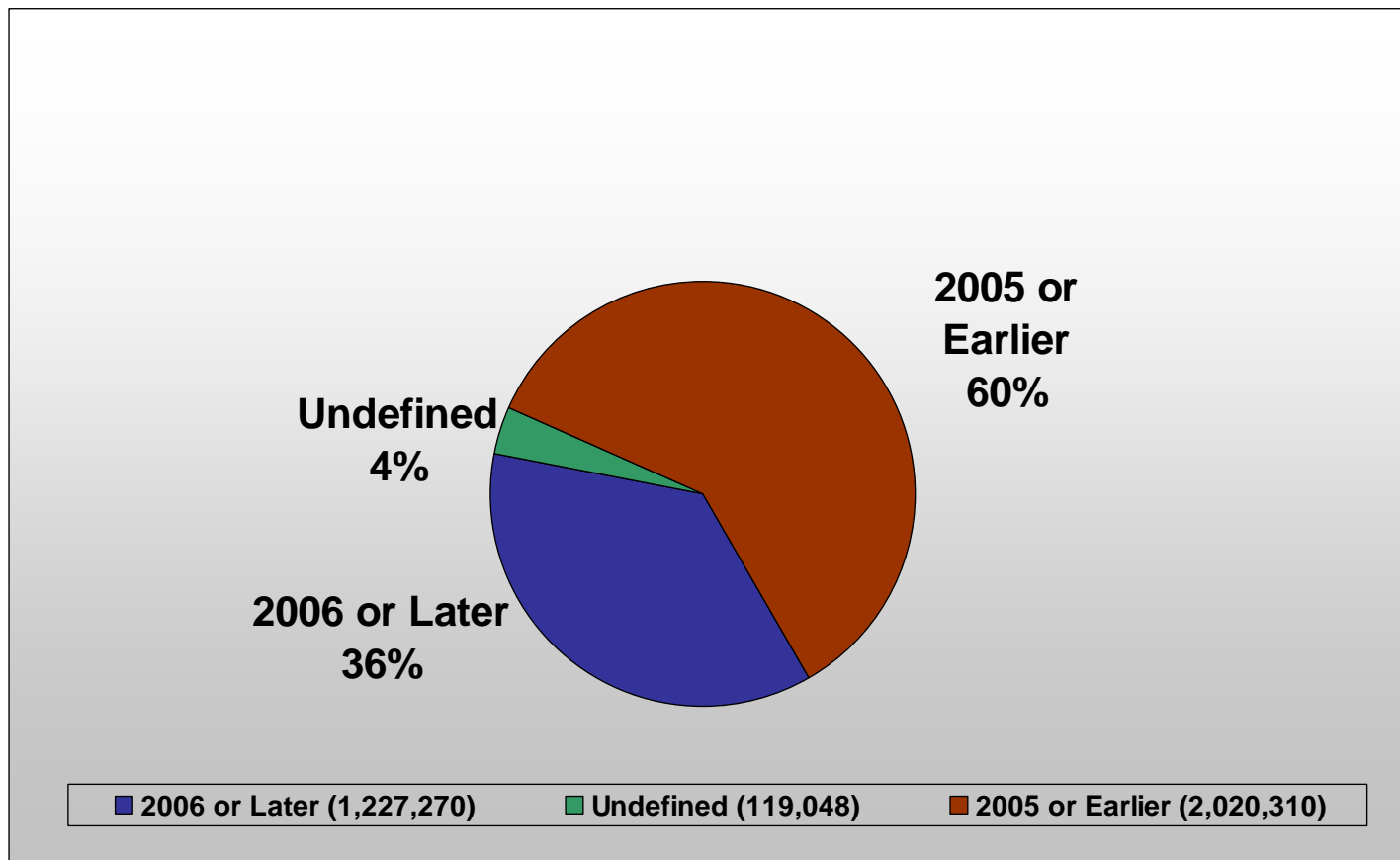
(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
531120	Lessors of Nonresidential Buildings	200,994	16%
531110	Lessors of Residential Buildings	175,128	14%
531390	Other Activities Related to Real Estate	124,784	10%
523900	Other Financial Investment Activities	65,210	5%
531190	Lessors of Other Real Estate Property	38,527	3%
531310	Real Estate Property Managers	28,187	2%
236110	Residential Building Construction	22,204	2%
541990	All Other Professional, Scientific	18,152	1%
525990	Other Financial Vehicles	15,722	1%
722110	Full-Service Restaurants	13,724	1%

* The percentage of all electronic Form 1065 returns filed in PY2010

Form 1065 Return Partnership Establishment Dates*

Processing Year 2010

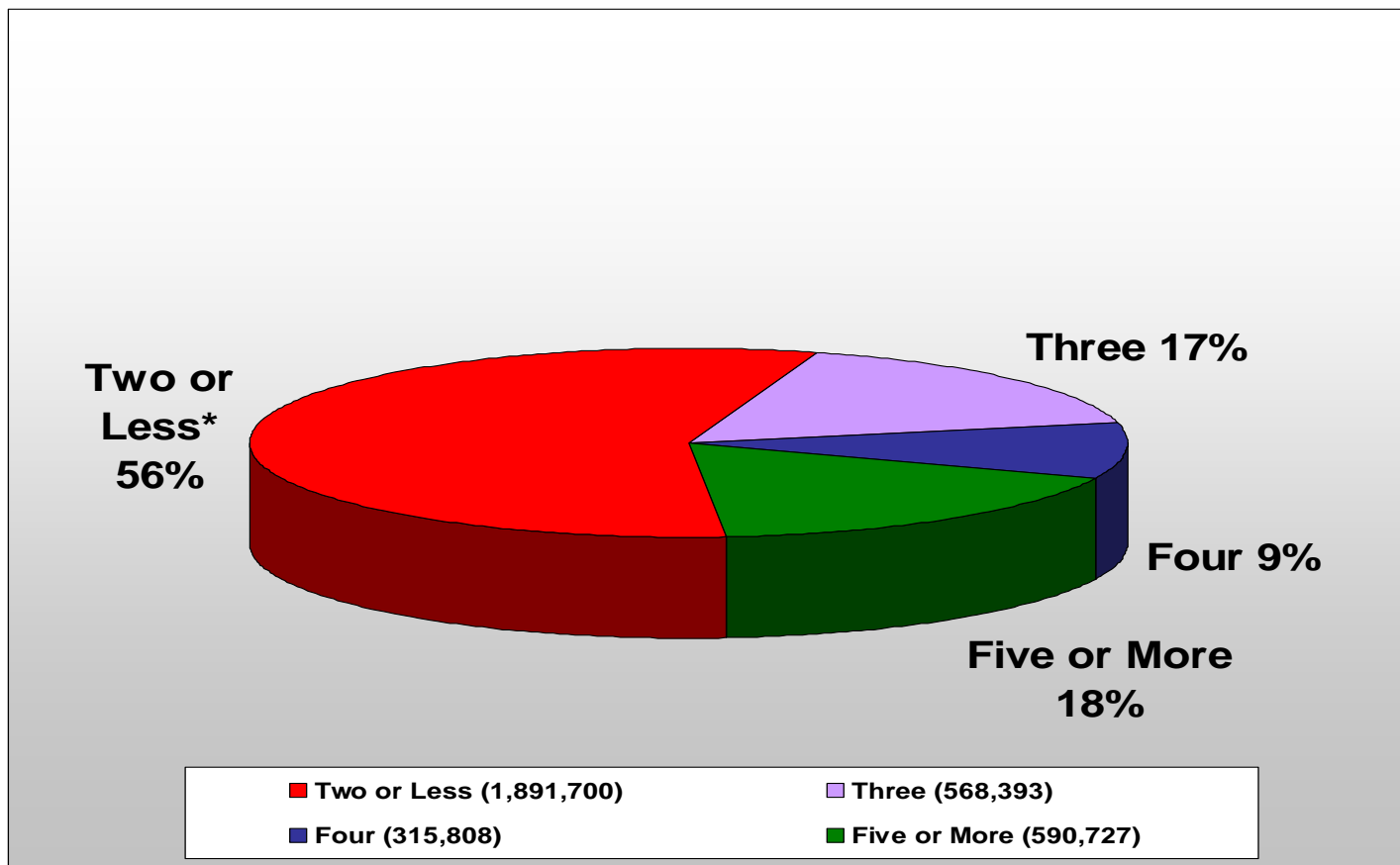


Source: 2010 ETA Marketing Database

* Dates earlier than 1900, missing dates or incorrect dates are considered undefined

Number of Partners for Form 1065 Returns

Processing Year 2010



Source: 2010 ETA Marketing Database

* Includes partnerships with 0 and 1 partner

Partnership Schedules K-1

(where each partner is issued one K-1)

Processing Year 2010

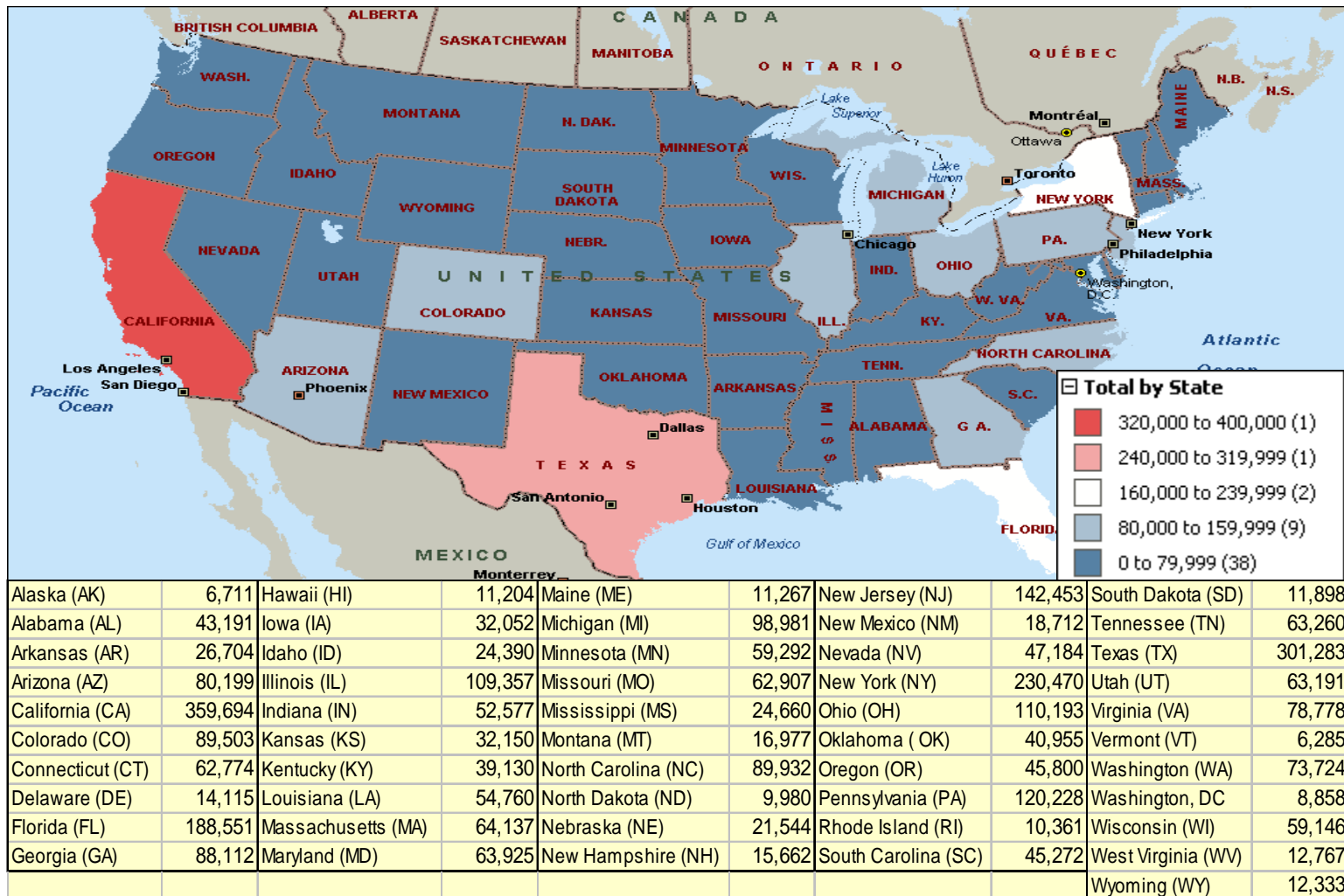
Number of Partners	Number of Returns	Number of Schedules K-1	Percent of Schedules K-1
2 or less*	1,891,700	3,782,565	16.43%
3	568,393	1,705,179	7.40%
4	315,808	1,263,232	5.49%
5 - 10	415,765	2,679,770	11.64%
11 - 100	167,310	3,990,590	17.34%
101 - 1,000	7,096	1,544,125	6.71%
>1,000	556	8,054,812	34.99%
Total	3,366,628	23,020,273	100.00%

Source: 2010 ETA Marketing Database

* Includes partnerships with 0 and 1 partner

Form 1065 Returns Filed by State

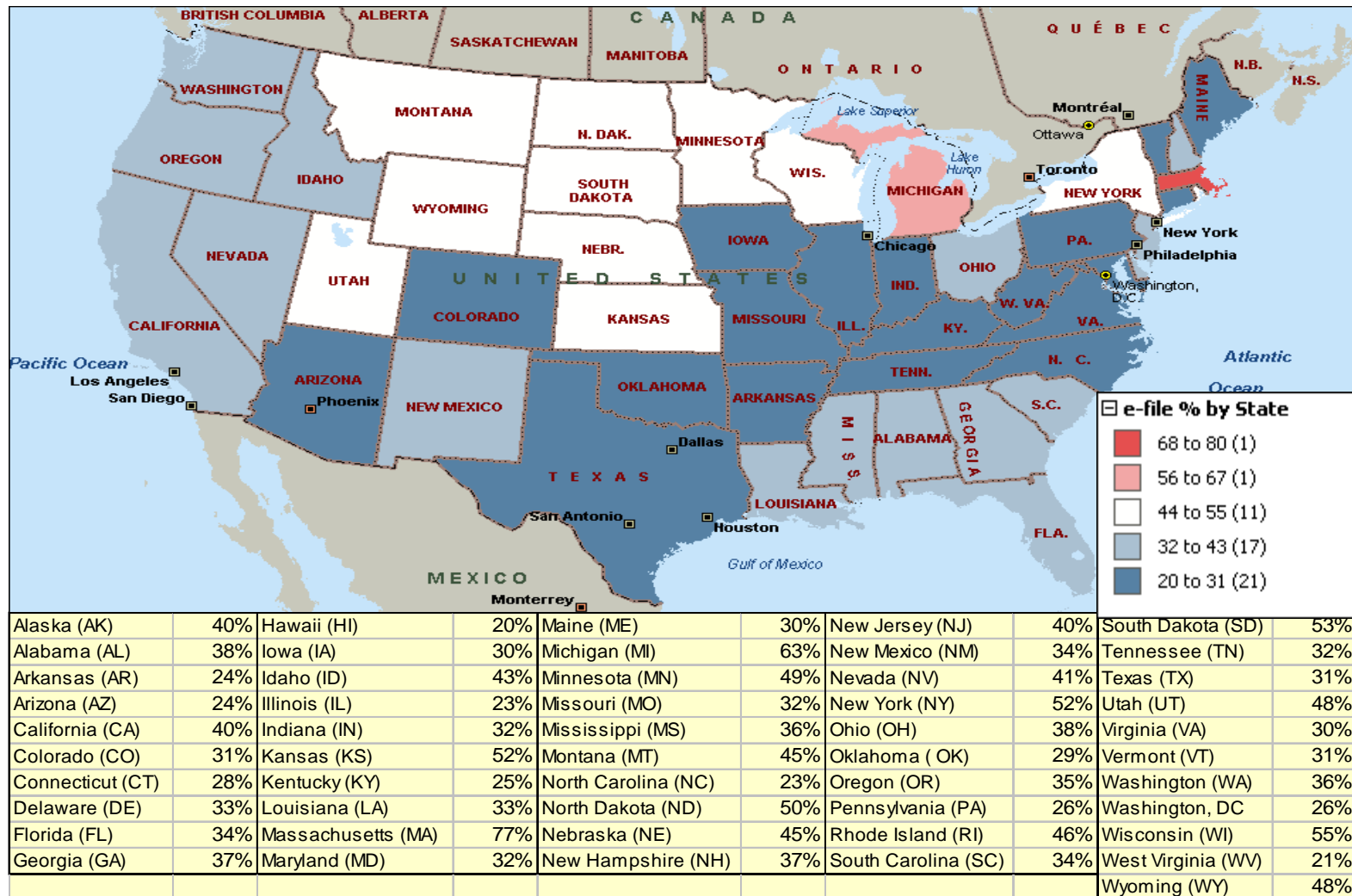
Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1065 e-file Penetration by State

Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1065 Summary (PY2010)

- Form 1065 has been *e-filed* since 2000, yet only 40% of all Forms 1065 are projected to be *e-filed* in CY2017.
- 37% of Form 1065 returns were *e-filed* in PY2010.
- 16% of all Form 1065 taxpayers are enrolled in EFTPS.
- Form 1065 filers have an 93% *e-file* loyalty rate.
- 1,504,698 (45%) of Form 1065 returns represent real estate related activities.
- 88% of Form 1065 filers use preparers.
- 36% of partnerships were established in 2006 or later.
- 82% of Form 1065 filers have fewer than five partners.

508 Accessible Table for Slide 32 – Forms 1065 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	6,711	Illinois (IL)	109,357	North Carolina (NC)	89,932	South Carolina (SC)	45,272
Alabama (AL)	43,191	Indiana (IN)	52,577	North Dakota (ND)	9,980	South Dakota (SD)	11,898
Arkansas (AR)	26,704	Kansas (KS)	32,150	Nebraska (NE)	21,544	Tennessee (TN)	63,260
Arizona (AZ)	80,199	Kentucky (KY)	39,130	New Hampshire (NH)	15,662	Texas (TX)	301,283
California (CA)	359,694	Louisiana (LA)	54,760	New Jersey (NJ)	142,453	Utah (UT)	63,191
Colorado (CO)	89,503	Massachusetts (MA)	64,137	New Mexico (NM)	18,712	Virginia (VA)	78,778
Connecticut (CT)	62,774	Maryland (MD)	63,925	Nevada (NV)	47,184	Vermont (VT)	6,285
Delaware (DE)	14,115	Maine (ME)	11,267	New York (NY)	230,470	Washington (WA)	73,724
Florida (FL)	188,551	Michigan (MI)	98,981	Ohio (OH)	110,193	Washington (DC)	8,858
Georgia (GA)	88,112	Minnesota (MN)	59,292	Oklahoma (OK)	40,955	Wisconsin (WI)	59,146
Hawaii (HI)	11,204	Missouri (MO)	62,907	Oregon (OR)	45,800	West Virginia (WV)	12,767
Iowa (IA)	32,052	Mississippi (MS)	24,660	Pennsylvania (PA)	120,228	Wyoming (WY)	12,333
Idaho (ID)	24,390	Montana (MT)	16,977	Rhode Island (RI)	10,361		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 33 – Forms 1065 e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	40%	Illinois (IL)	23%	North Carolina (NC)	23%	South Carolina (SC)	34%
Alabama (AL)	38%	Indiana (IN)	32%	North Dakota (ND)	50%	South Dakota (SD)	53%
Arkansas (AR)	24%	Kansas (KS)	52%	Nebraska (NE)	45%	Tennessee (TN)	32%
Arizona (AZ)	24%	Kentucky (KY)	25%	New Hampshire (NH)	37%	Texas (TX)	31%
California (CA)	40%	Louisiana (LA)	33%	New Jersey (NJ)	40%	Utah (UT)	48%
Colorado (CO)	31%	Massachusetts (MA)	77%	New Mexico (NM)	34%	Virginia (VA)	30%
Connecticut (CT)	28%	Maryland (MD)	32%	Nevada (NV)	41%	Vermont (VT)	31%
Delaware (DE)	33%	Maine (ME)	30%	New York (NY)	52%	Washington (WA)	36%
Florida (FL)	34%	Michigan (MI)	63%	Ohio (OH)	38%	Washington (DC)	26%
Georgia (GA)	37%	Minnesota (MN)	49%	Oklahoma (OK)	29%	Wisconsin (WI)	55%
Hawaii (HI)	20%	Missouri (MO)	32%	Oregon (OR)	35%	West Virginia (WV)	21%
Iowa (IA)	30%	Mississippi (MS)	36%	Pennsylvania (PA)	26%	Wyoming (WY)	48%
Idaho (ID)	43%	Montana (MT)	45%	Rhode Island (RI)	46%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Forms 1120 & 1120S**

**Electronic Tax Administration
Business ETA Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides information about Forms 1120 and 1120S for Processing Year (PY) 2010

Acknowledgements

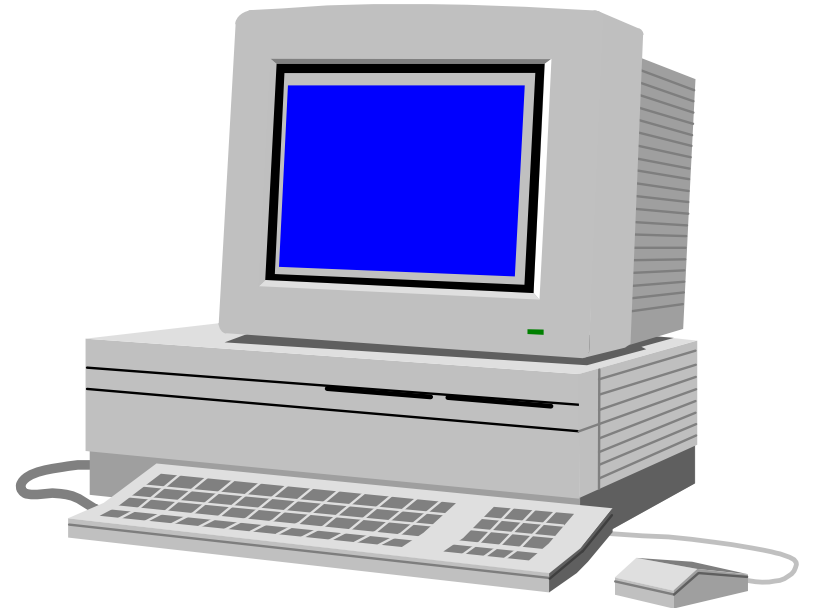
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains information on all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**

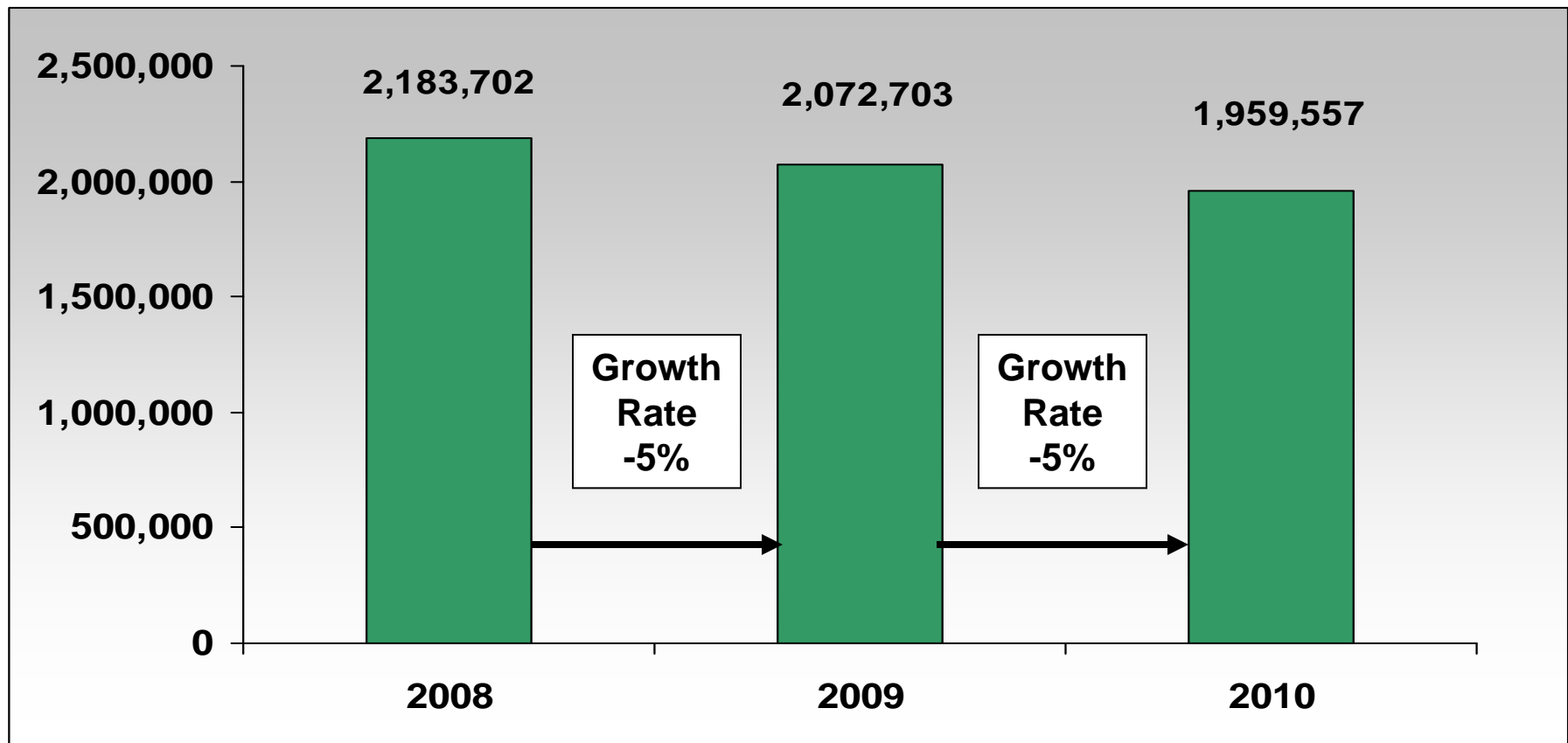


Form 1120 Filers

Corporate Income Tax Return Processing Year 2010

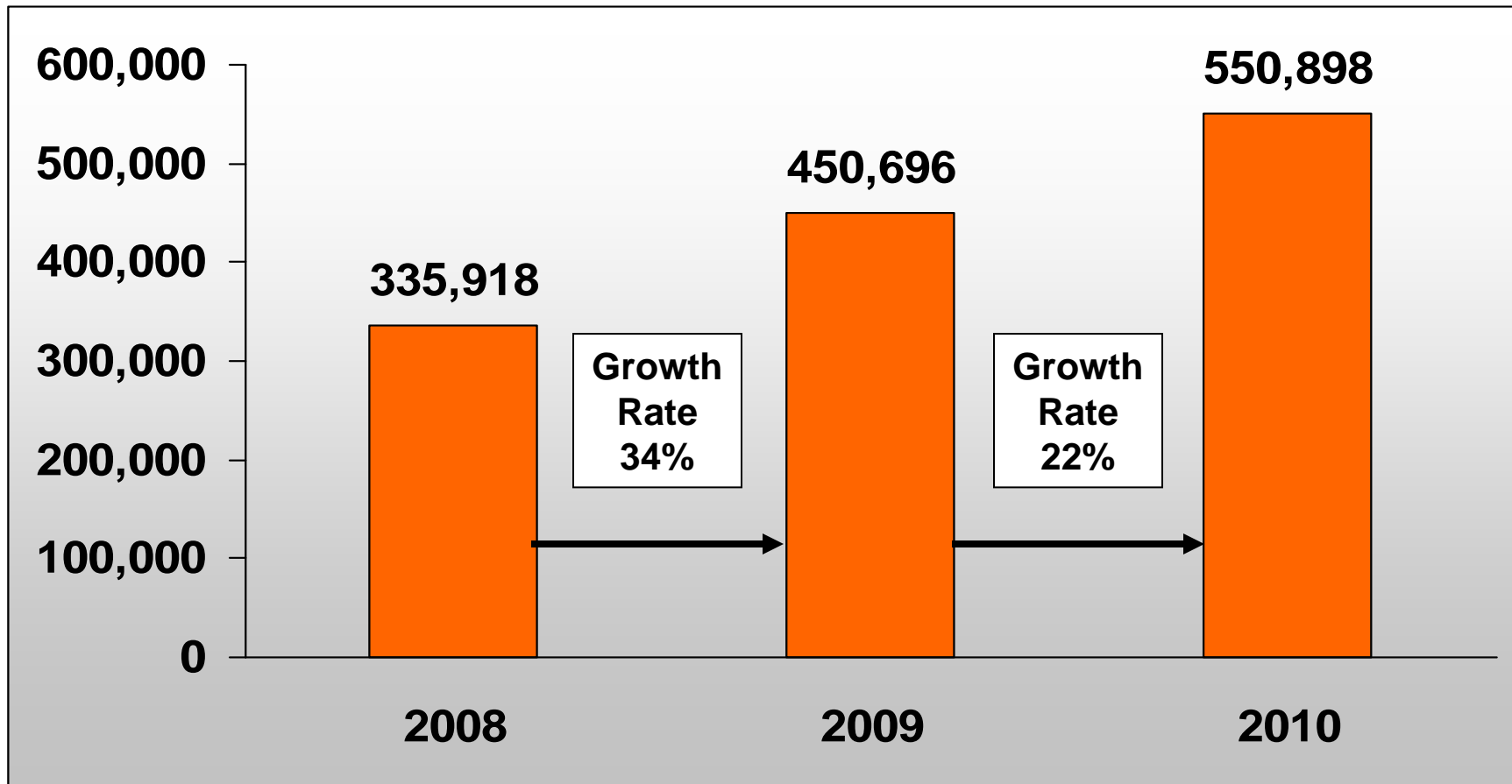


Form 1120 Annual Filing Volume Processing Years 2008-2010



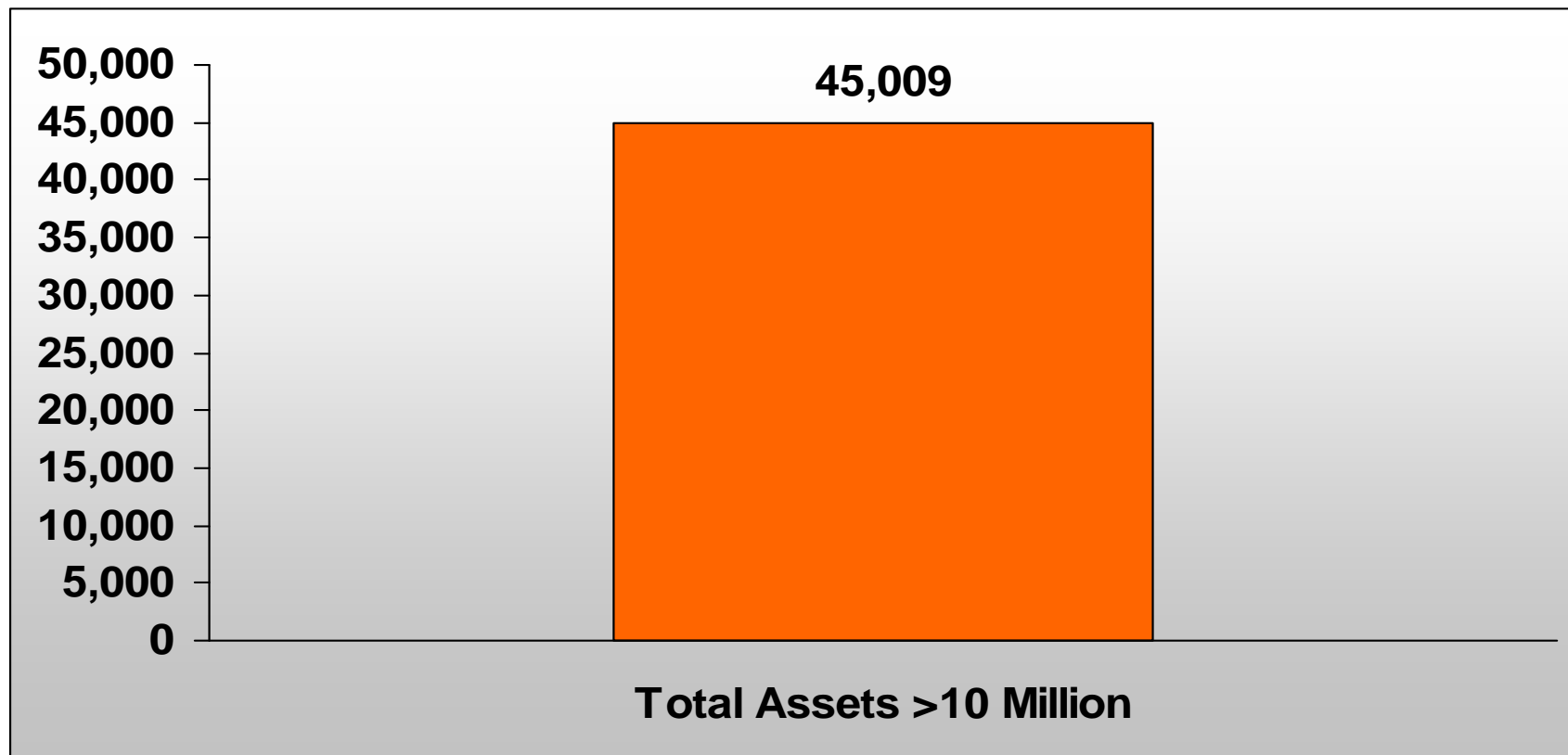
Source: 2010 ETA Marketing Database

Annual Filing volume for *e-file* Form 1120 Processing Years 2008-2010



Source: 2010 ETA Marketing Database

Form 1120 Taxpayers Impacted by Mandating *e-filing* for Asset Threshold Processing Year 2010

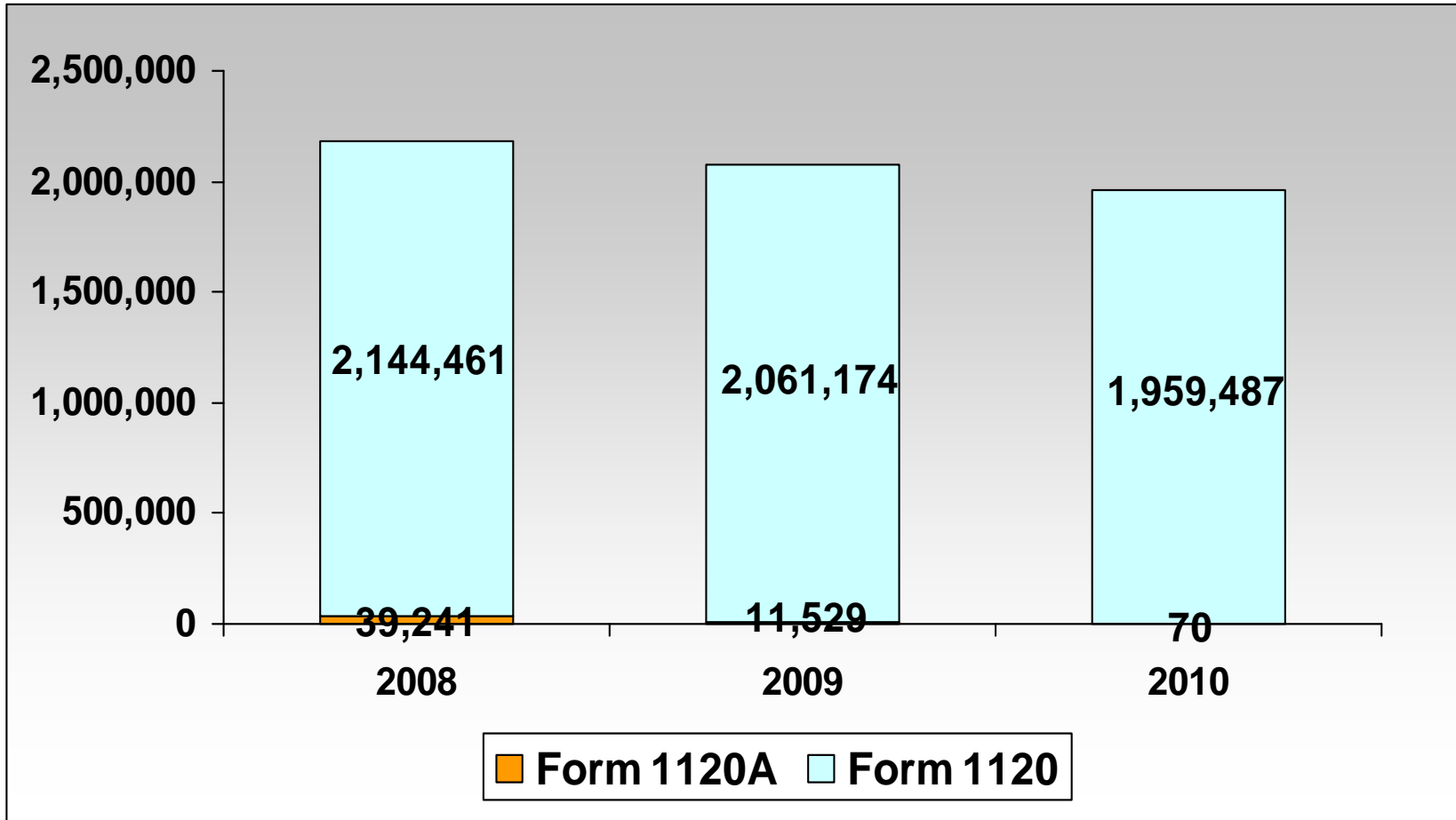


The electronic filing requirements only apply to entities that file at least 250 returns, including income tax, excise tax, information and employment tax returns, during a calendar year.

**In Processing Year 2010,
28% of all Form 1120
returns were filed
electronically.**

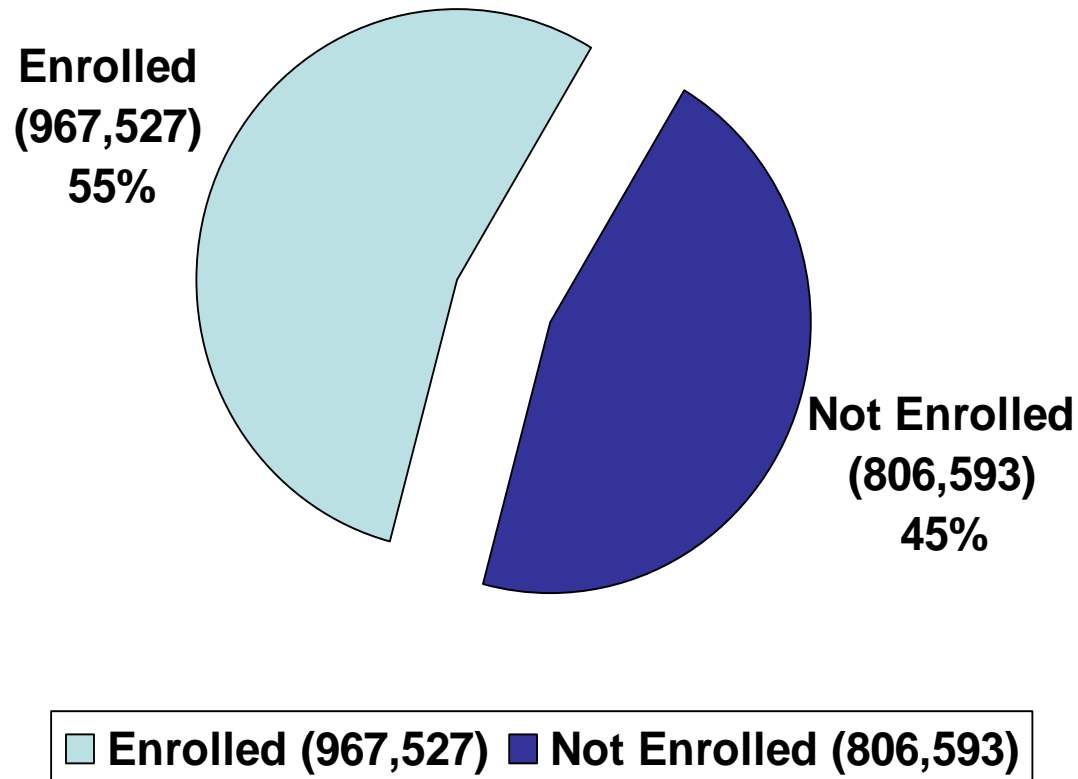
Form 1120 by Series

Processing Years 2008-2010



Source: 2010 ETA Marketing Database

Form 1120 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010

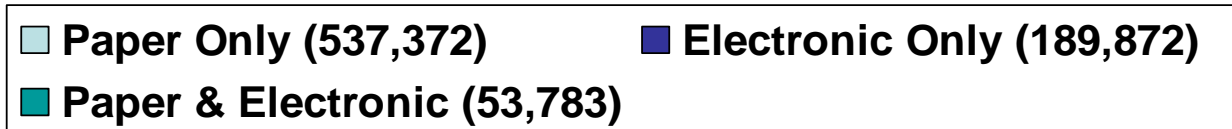
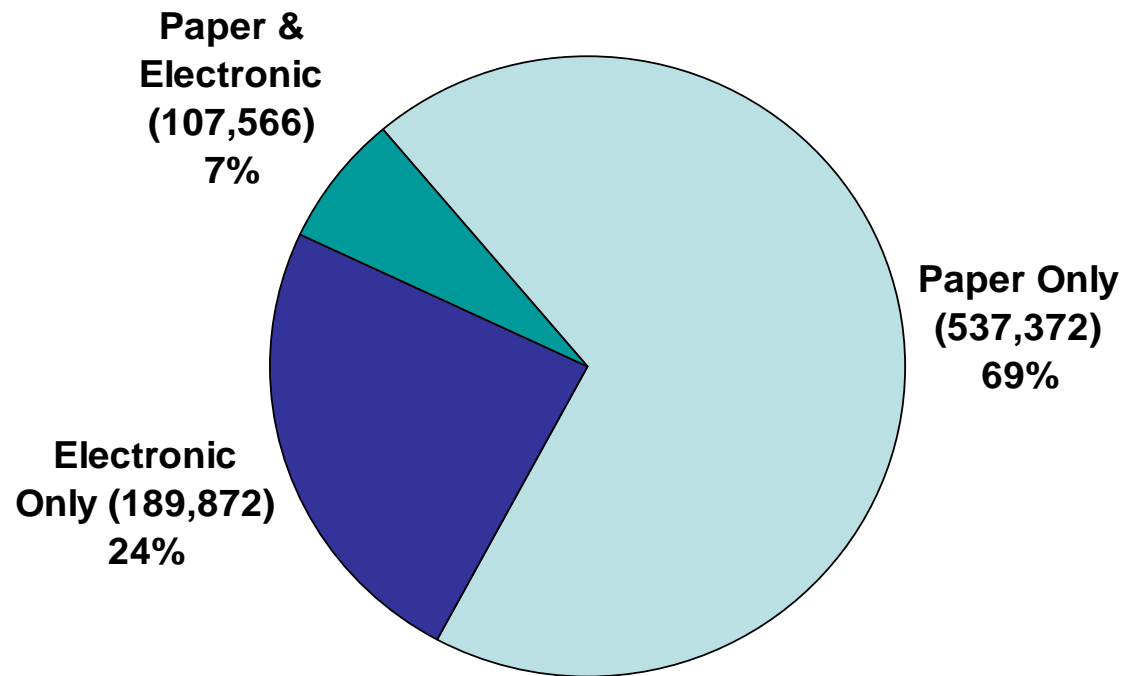


Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

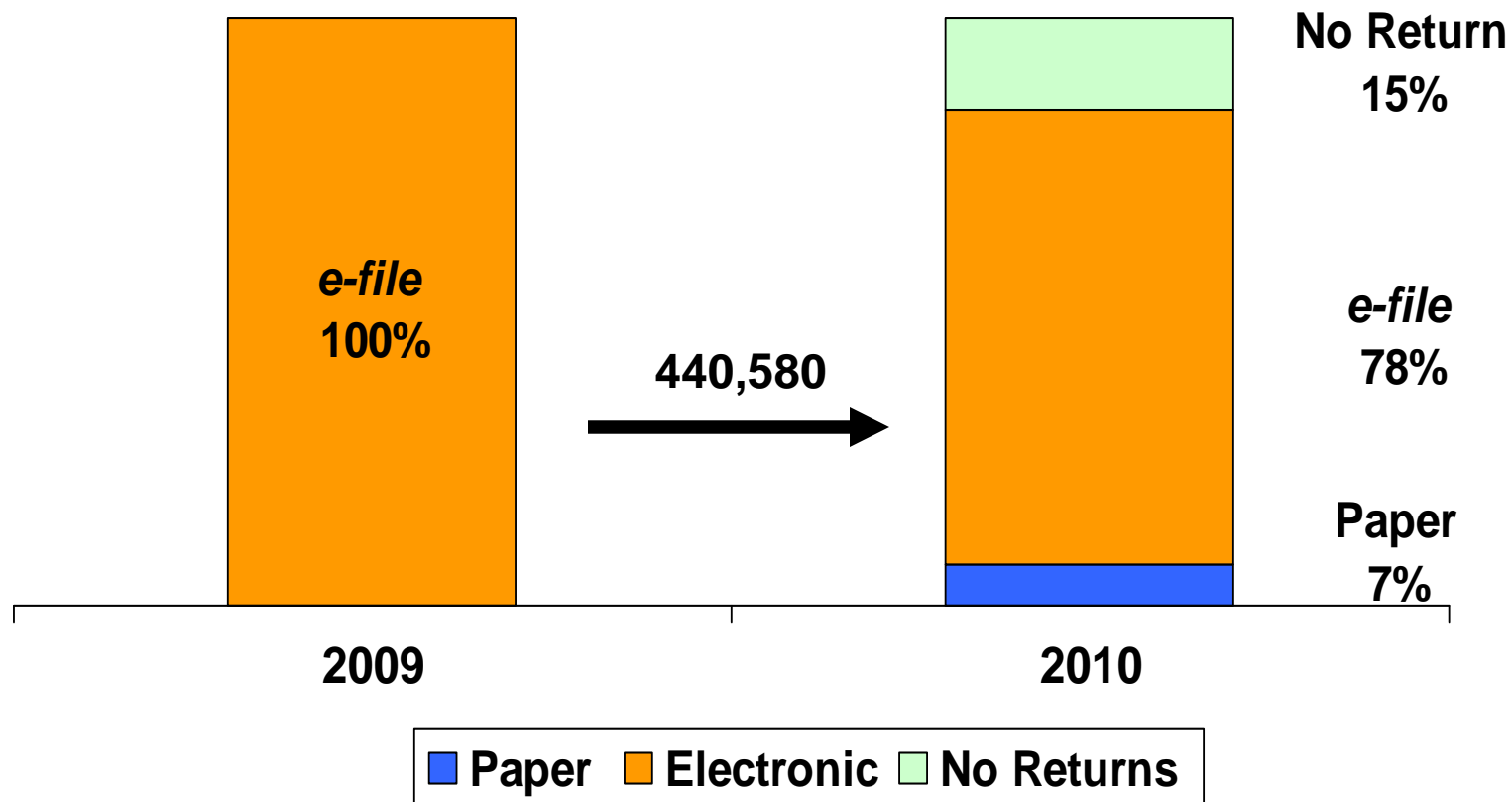
Payment Method Used by 1120 Series Taxpayers Making Payments*

Processing Year 2010



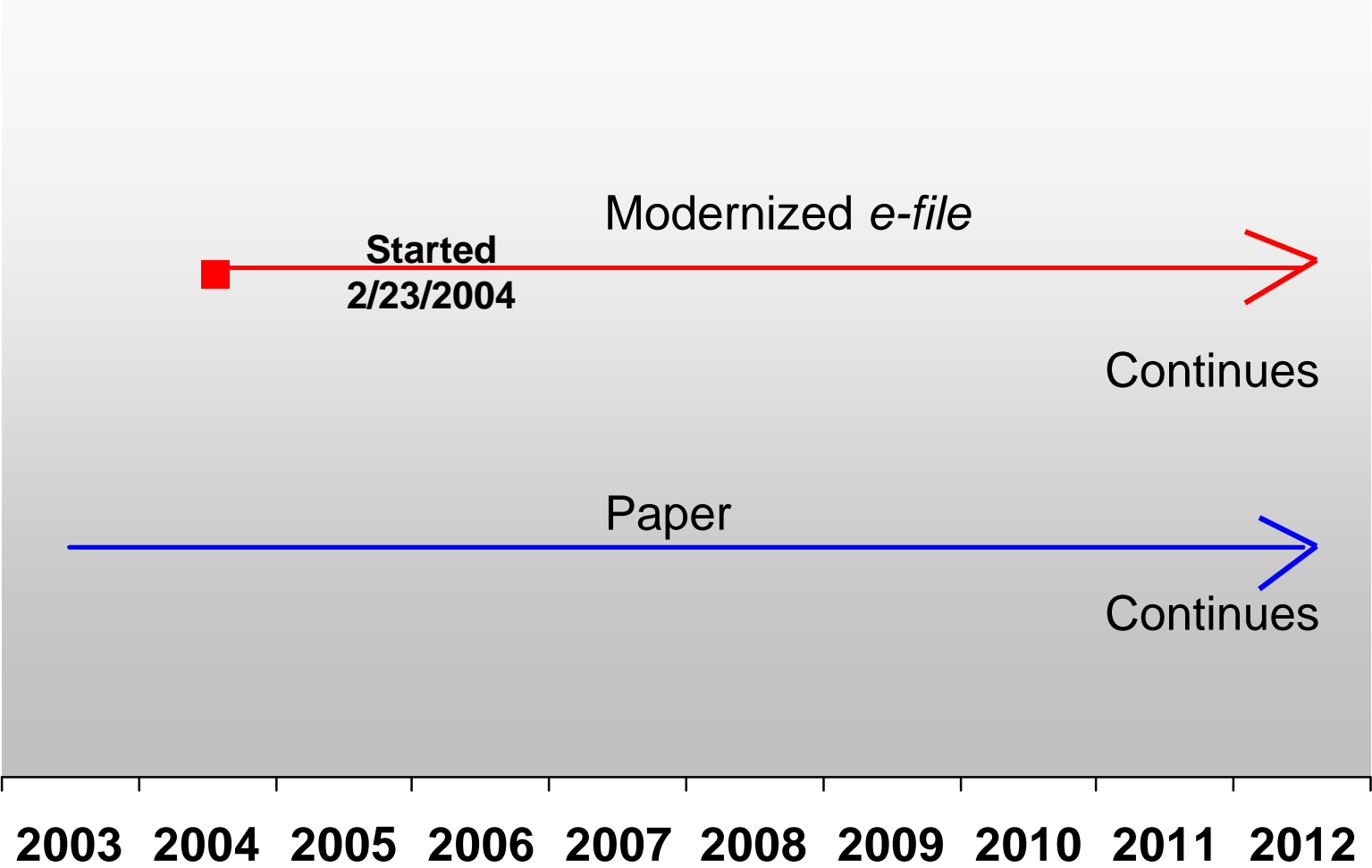
Form 1120 e-file Loyalty

78% of PY2009 Form 1120 electronic filers, e-filed in PY2010

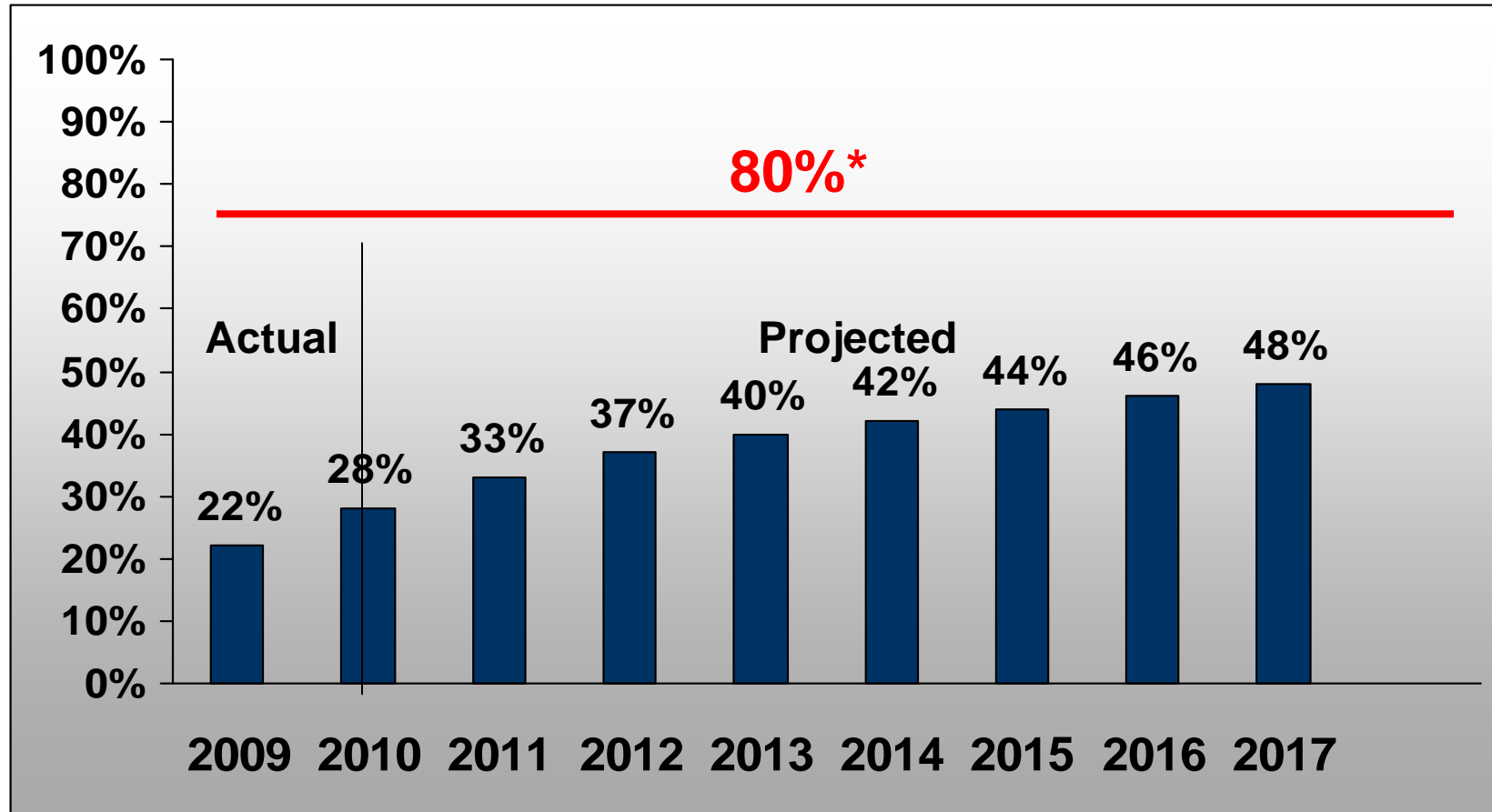


Source: 2010 ETA Marketing Database

Form 1120: Implementation Schedule



Form 1120 Projected *e-file* Penetration Rate

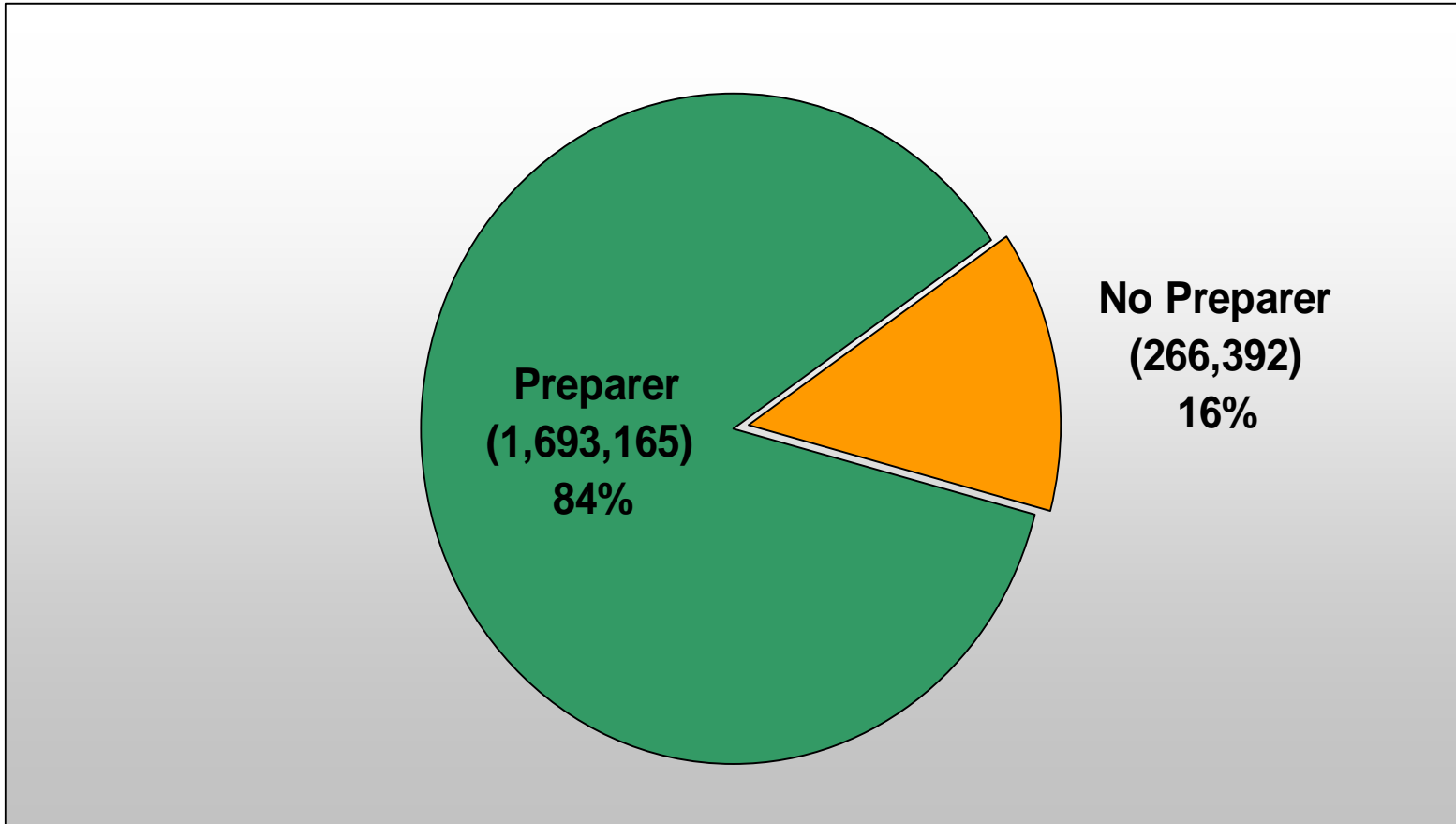


Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

Form 1120 Preparer/No Preparer

Processing Year 2010



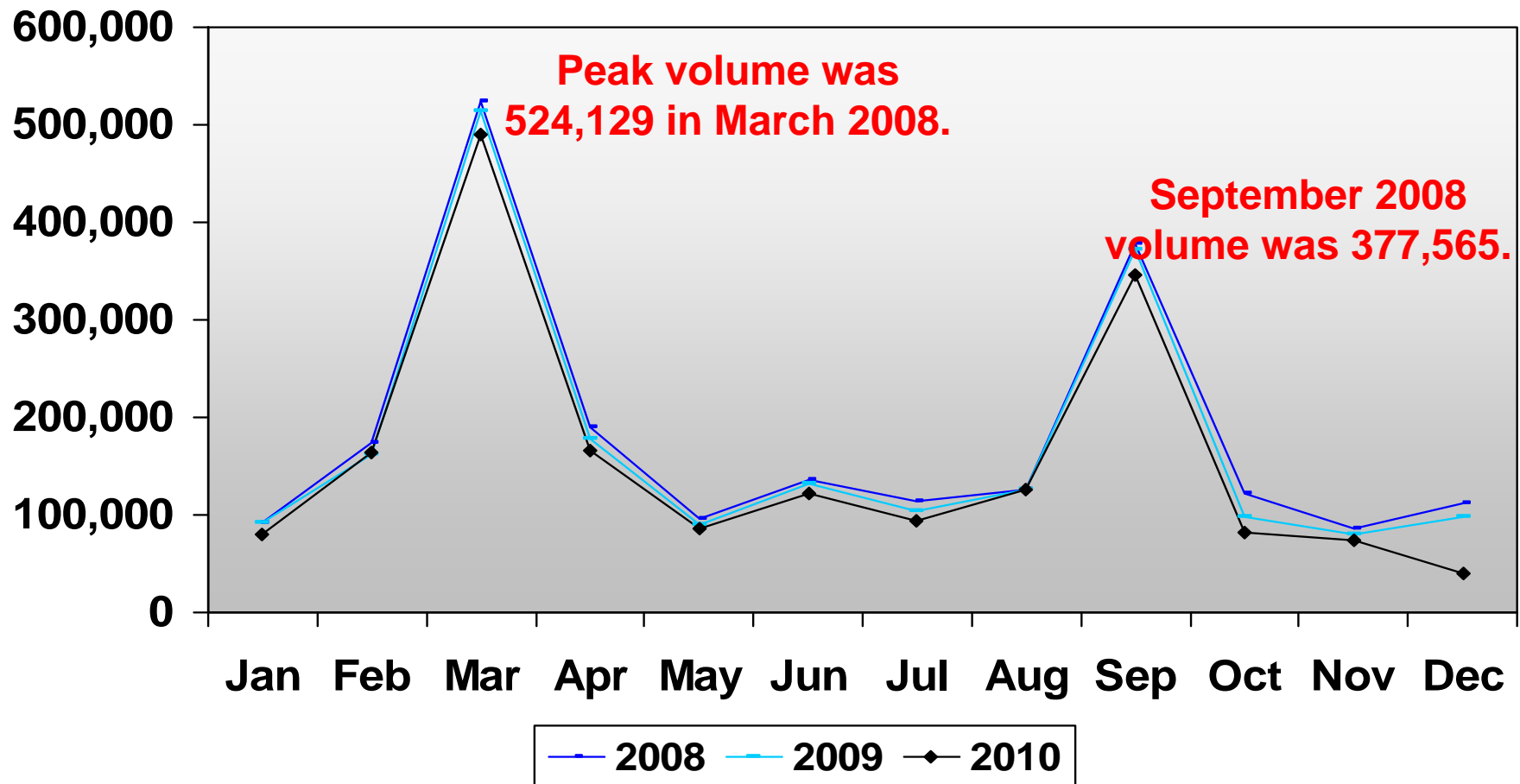
Form 1120 Effect of Mandates

Processing Year 2010

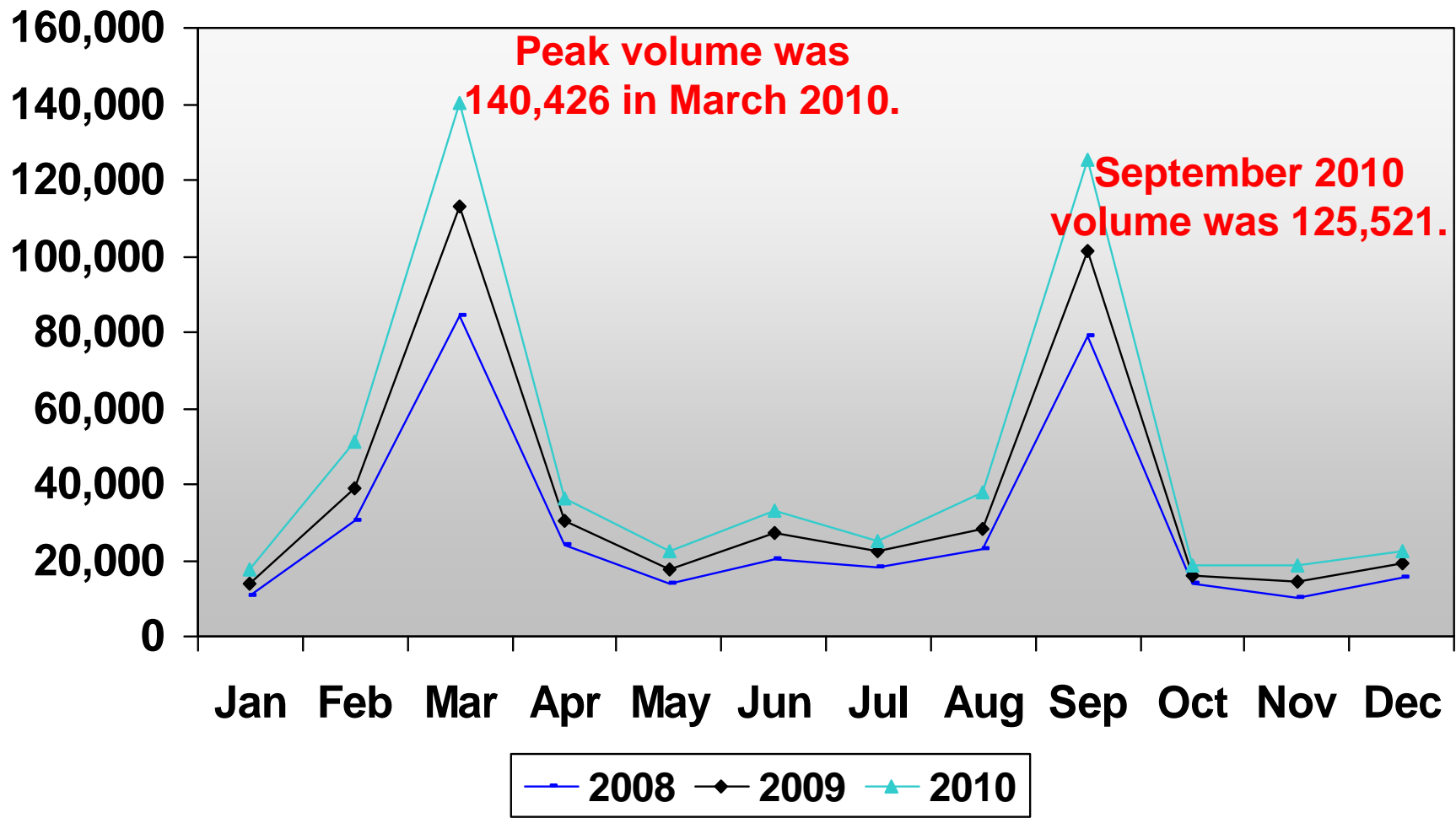
If Preparers were mandated to e-file at:	Preparers Impacted*	Reduction in Paper Returns
>100 Returns	503	60,592
>50 Returns	2,429	147,441
>10 Returns	43,655	708,272

Source: 2010 ETA Preparer Database * Impacted preparers are those who meet the mandate limit and currently file paper returns.

Form 1120: Monthly Filing Patterns

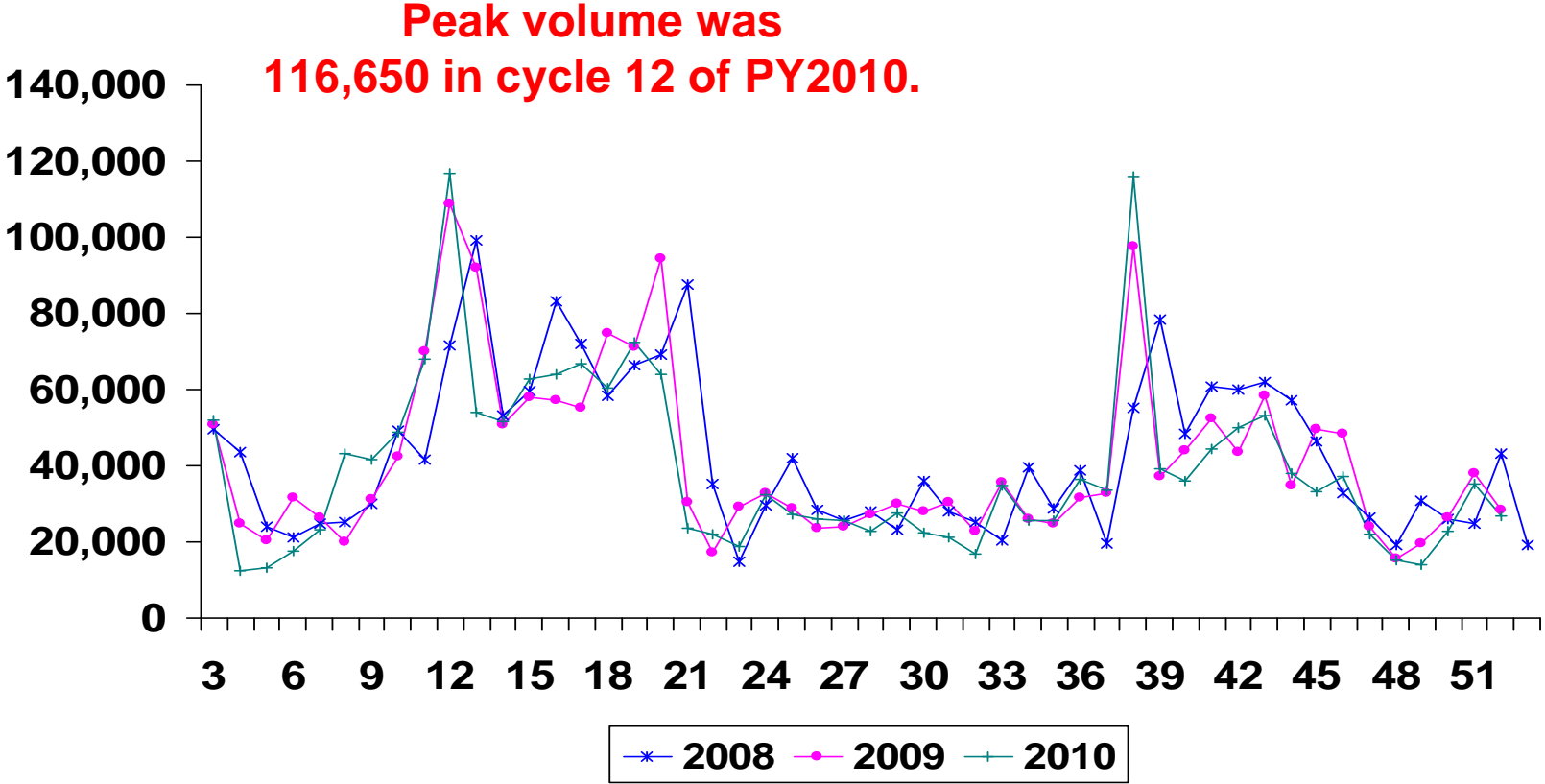


e-file Form 1120 Monthly Filing Patterns



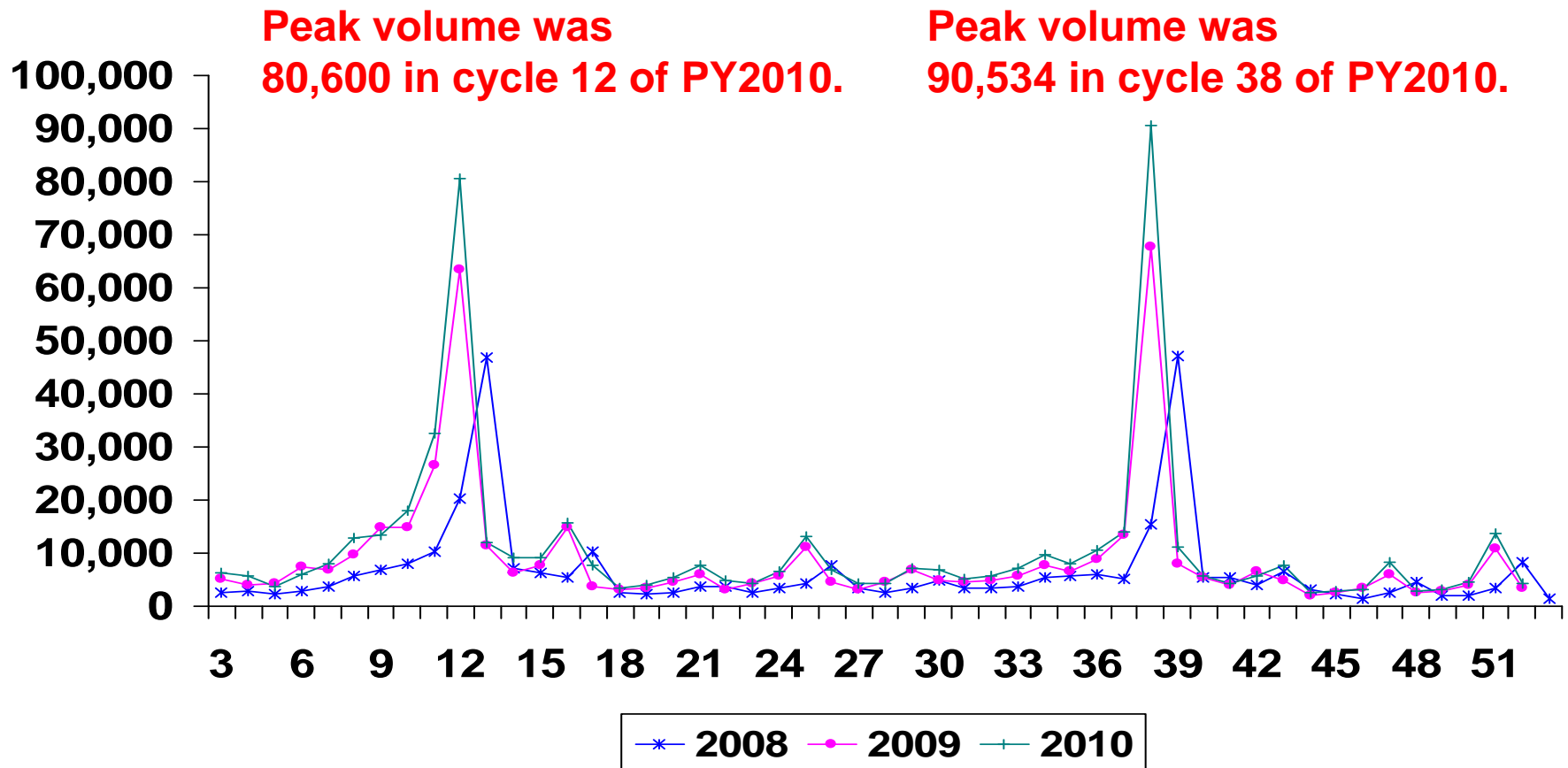
Source: 2010 ETA Marketing Database

Form 1120 Filing Pattern by Cycle Posted



Source: 2010 ETA Marketing Database

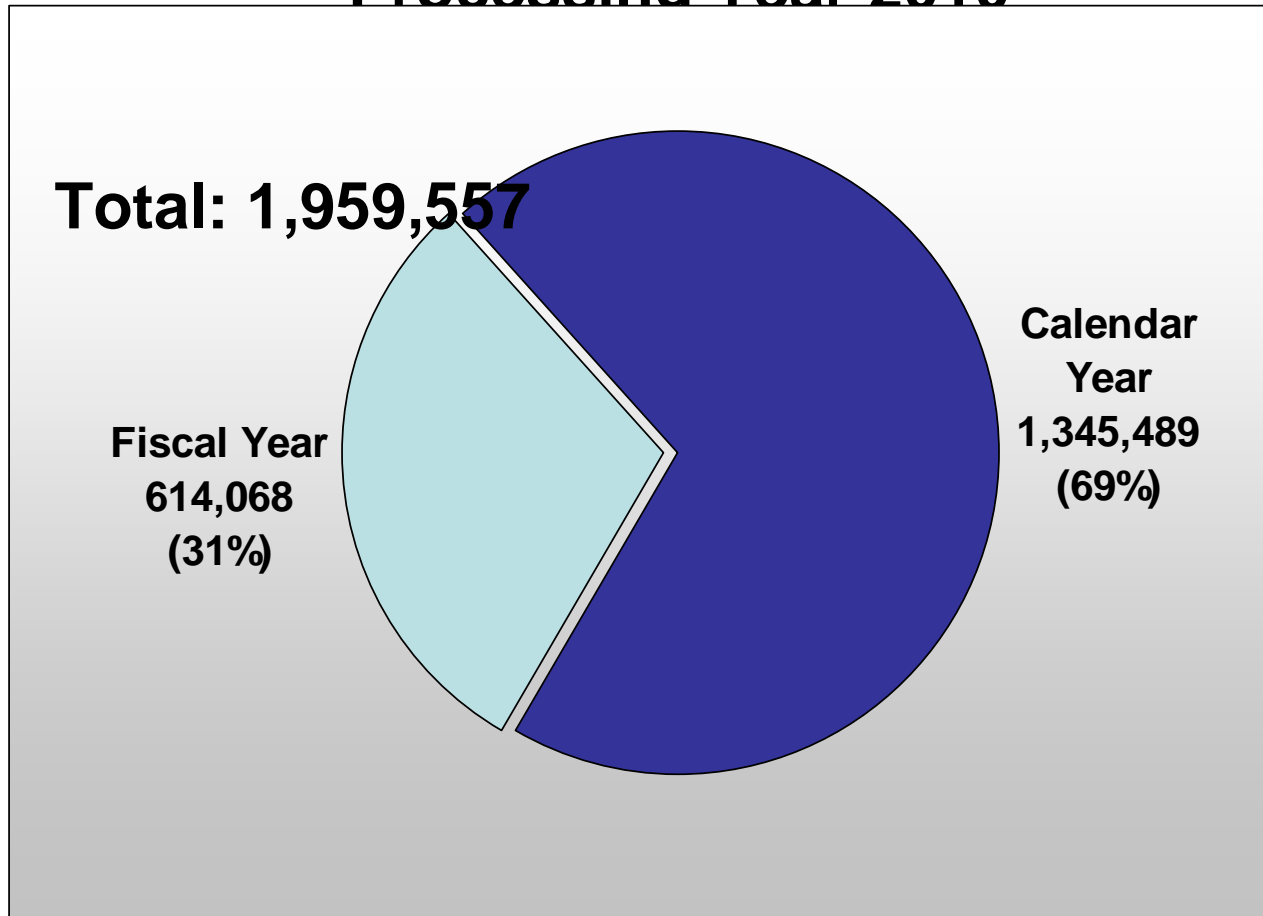
Form 1120 e-file Filing Pattern by Cycle Posted



Source: 2010 ETA Marketing Database

Form 1120 Fiscal Year Returns vs. Calendar Year Returns

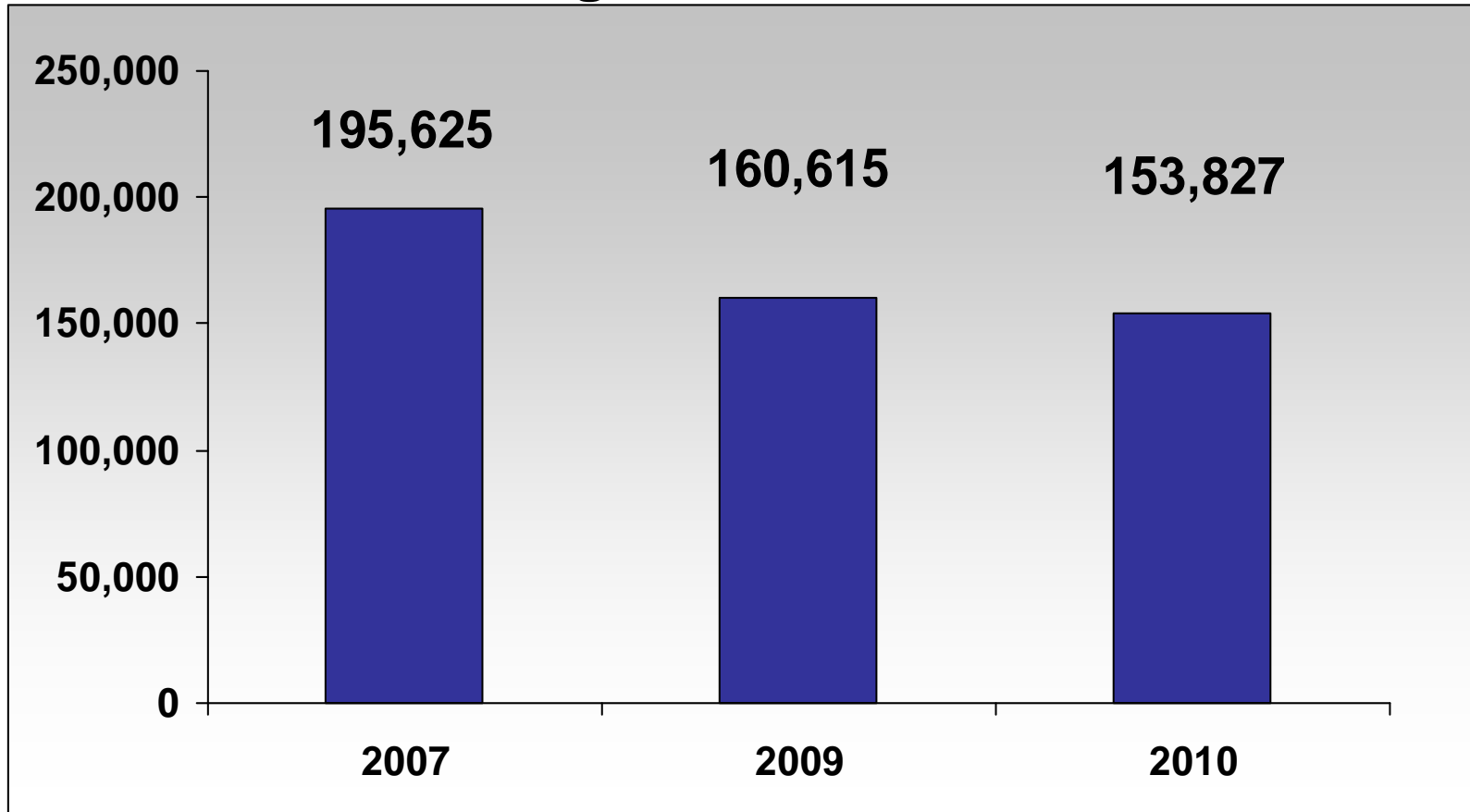
Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1120 Initial Corporation Filings

Processing Years 2008 - 2010



Source: 2010 ETA Marketing Database

Most Form 1120 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	% *
531390	Other Activities Related to Real Estate	88,424	5%
621111	Offices of Physicians (except mental health specialists)	58,737	3%
541990	All Other Professional, Scientific, & Technical Services	54,817	3%
238900	Other Specialty Trade Contractors	42,601	2%
722110	Full-Service Restaurants	36,689	2%
236110	Residential Building Construction	35,244	2%
531310	Real Estate Property Managers	32,586	2%
531110	Lessors of Residential Buildings & Dwellings	31,414	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	29,660	2%
812990	All Other Personal Services	29,230	1%

* The percentage of all Form 1120 returns filed in PY2010

Six of the top 10 NAICS codes involve real estate returns.

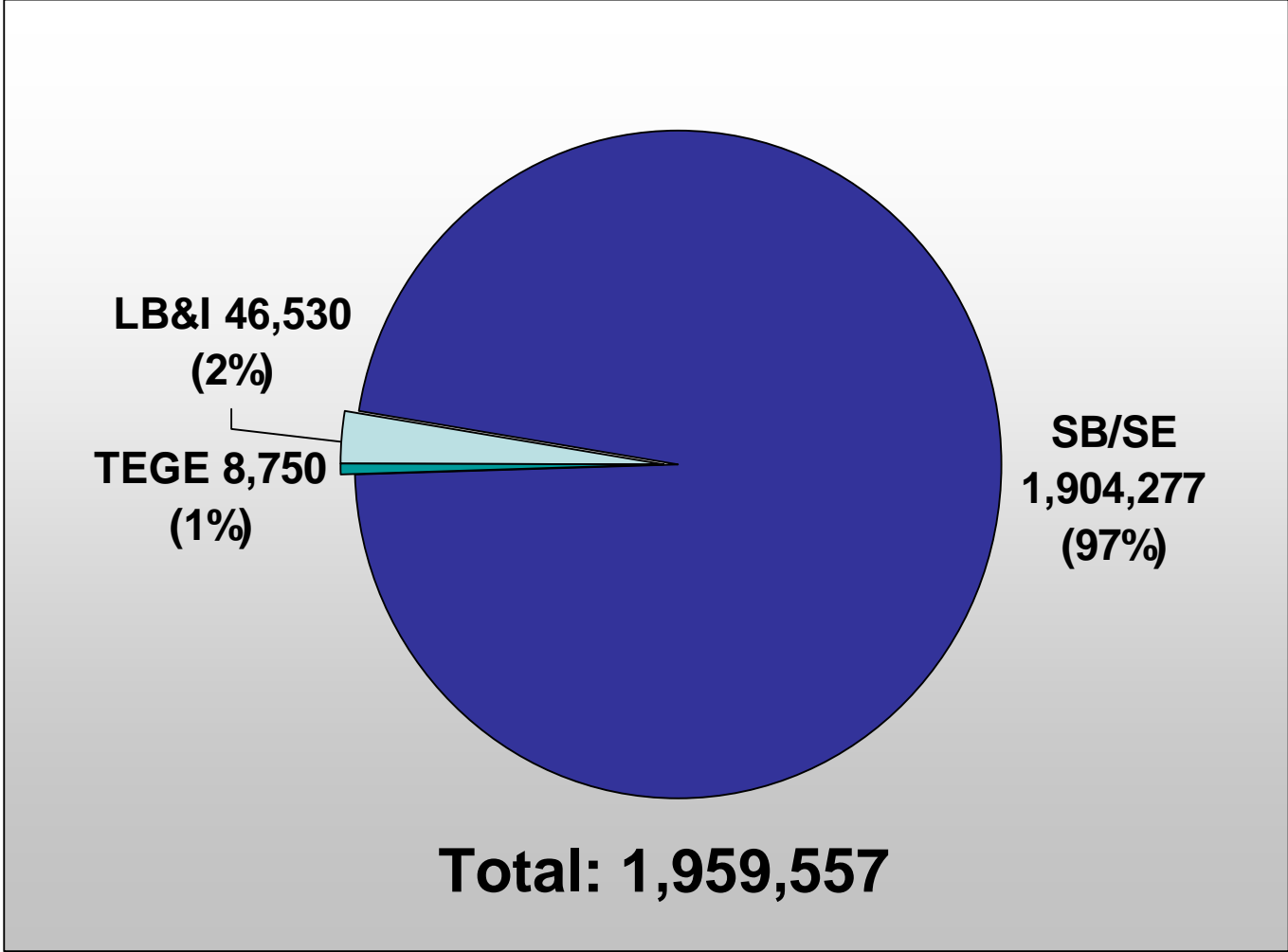
Most *e-filed* Forms 1120 by NAICS

(The North American Industry Classification System - NAICS)

CODE	NAICS TITLE	PY2010	%*
531390	Other Activities Related to Real Estate	20,431	4%
621111	Offices of Physicians (except mental health specialists)	19,866	4%
541990	All Other Professional, Scientific, & Technical Services	16,345	3%
238900	Other Specialty Trade Contractors	13,283	2%
236110	Residential Building Construction	9,651	2%
722110	Full-Service Restaurants	9,334	2%
551112	Offices of Other Holding Companies	8,739	2%
531310	Real Estate Property Managers	8,383	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	8,203	1%
531110	Lessors of Residential Buildings & Dwellings	8,083	1%

* The percentage of all electronic Forms 1120 filed in PY2010

Form 1120 Returns by Business Operating Division Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1120 Returns by Assets & Method

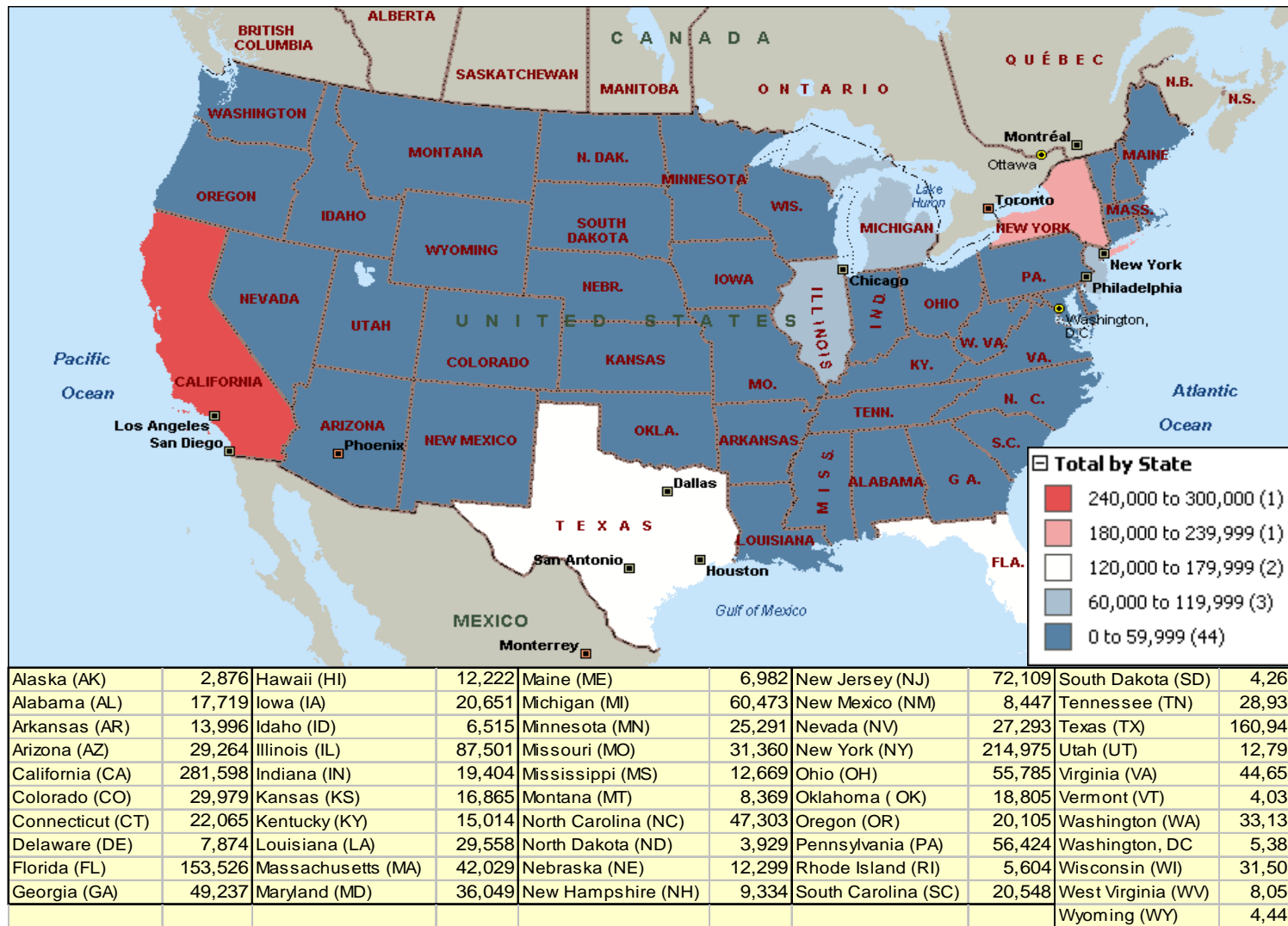
Processing Year 2010

	Paper	<i>e-file</i>	Total
Under \$250,000	1,046,251	356,373	1,402,624
\$250,000 Under \$1 Million	224,166	100,047	324,213
\$1 Million Under \$5 Million	109,200	51,565	160,765
\$5 Million Under \$10 Million	17,410	9,527	26,937
\$10 Million Under \$50 Million	9,613	16,910	26,523
\$50 Million or More	2,019	16,476	18,495
Total	1,408,659	550,898	1,959,557

Source: 2010 ETA Marketing Database

Form 1120 Returns Filed by State

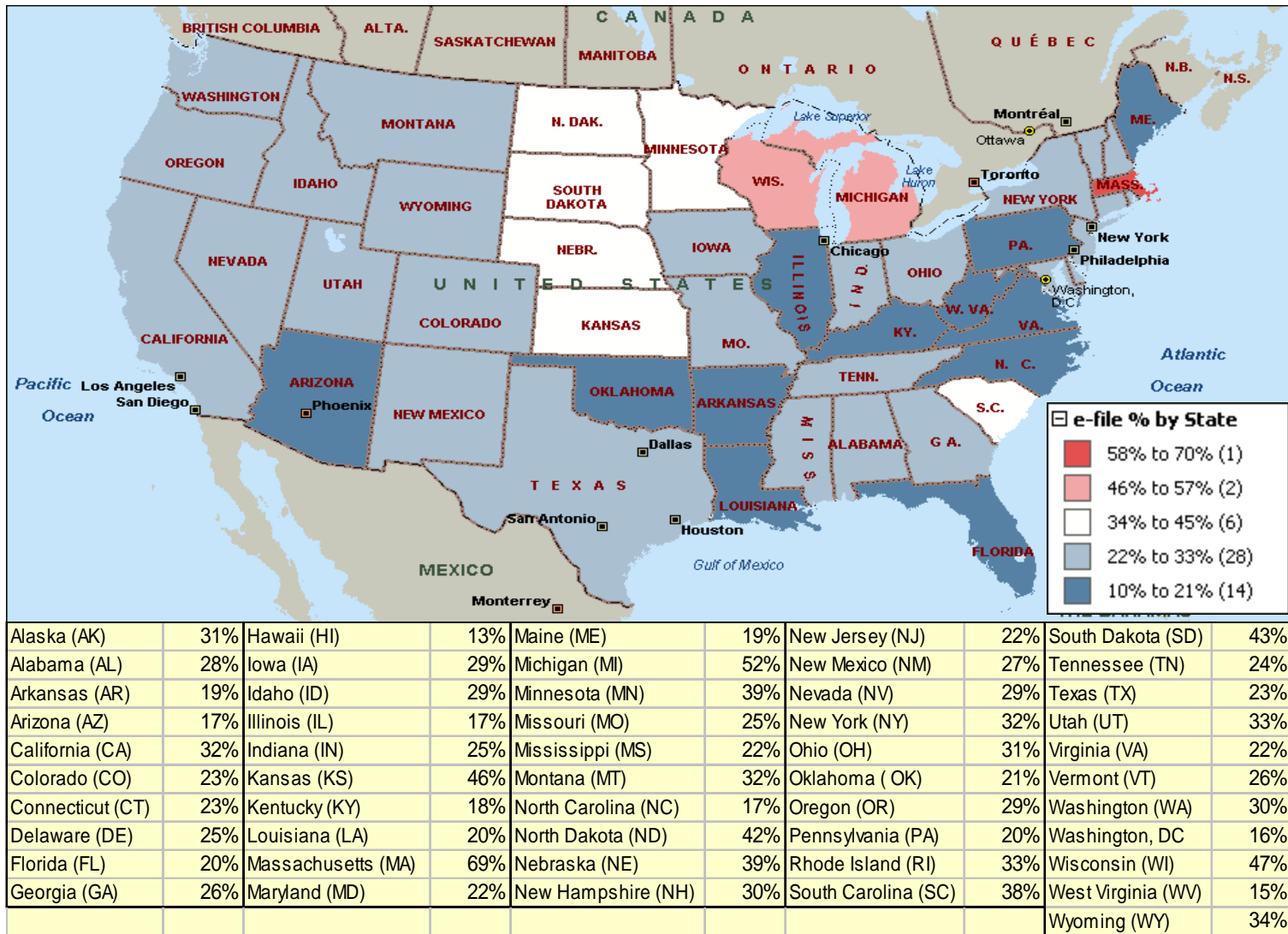
Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1120 e-file Penetration by State

Processing Year 2010



Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 32 – Forms 1120 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	2,876	Illinois (IL)	87,501	North Carolina (NC)	47,303	South Carolina (SC)	20,548
Alabama (AL)	17,719	Indiana (IN)	19,404	North Dakota (ND)	3,929	South Dakota (SD)	4,267
Arkansas (AR)	13,996	Kansas (KS)	16,865	Nebraska (NE)	12,299	Tennessee (TN)	28,939
Arizona (AZ)	29,264	Kentucky (KY)	15,014	New Hampshire (NH)	9,334	Texas (TX)	160,946
California (CA)	281,598	Louisiana (LA)	29,558	New Jersey (NJ)	72,109	Utah (UT)	12,795
Colorado (CO)	29,979	Massachusetts (MA)	42,029	New Mexico (NM)	8,447	Virginia (VA)	44,655
Connecticut (CT)	22,065	Maryland (MD)	36,049	Nevada (NV)	27,293	Vermont (VT)	4,039
Delaware (DE)	7,874	Maine (ME)	6,982	New York (NY)	214,975	Washington (WA)	33,133
Florida (FL)	153,526	Michigan (MI)	60,473	Ohio (OH)	55,785	Washington (DC)	5,385
Georgia (GA)	49,237	Minnesota (MN)	25,291	Oklahoma (OK)	18,805	Wisconsin (WI)	31,508
Hawaii (HI)	12,222	Missouri (MO)	31,360	Oregon (OR)	20,105	West Virginia (WV)	8,056
Iowa (IA)	20,651	Mississippi (MS)	12,669	Pennsylvania (PA)	56,424	Wyoming (WY)	4,447
Idaho (ID)	6,515	Montana (MT)	8,369	Rhode Island (RI)	5,604		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 33 – Forms 1120 e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	31%	Illinois (IL)	17%	North Carolina (NC)	17%	South Carolina (SC)	38%
Alabama (AL)	28%	Indiana (IN)	25%	North Dakota (ND)	42%	South Dakota (SD)	43%
Arkansas (AR)	19%	Kansas (KS)	46%	Nebraska (NE)	39%	Tennessee (TN)	24%
Arizona (AZ)	17%	Kentucky (KY)	18%	New Hampshire (NH)	30%	Texas (TX)	23%
California (CA)	32%	Louisiana (LA)	20%	New Jersey (NJ)	22%	Utah (UT)	33%
Colorado (CO)	23%	Massachusetts (MA)	69%	New Mexico (NM)	27%	Virginia (VA)	22%
Connecticut (CT)	23%	Maryland (MD)	22%	Nevada (NV)	29%	Vermont (VT)	26%
Delaware (DE)	25%	Maine (ME)	19%	New York (NY)	32%	Washington (WA)	30%
Florida (FL)	20%	Michigan (MI)	52%	Ohio (OH)	31%	Washington (DC)	16%
Georgia (GA)	26%	Minnesota (MN)	39%	Oklahoma (OK)	21%	Wisconsin (WI)	47%
Hawaii (HI)	13%	Missouri (MO)	25%	Oregon (OR)	29%	West Virginia (WV)	15%
Iowa (IA)	29%	Mississippi (MS)	22%	Pennsylvania (PA)	20%	Wyoming (WY)	34%
Idaho (ID)	29%	Montana (MT)	32%	Rhode Island (RI)	33%		

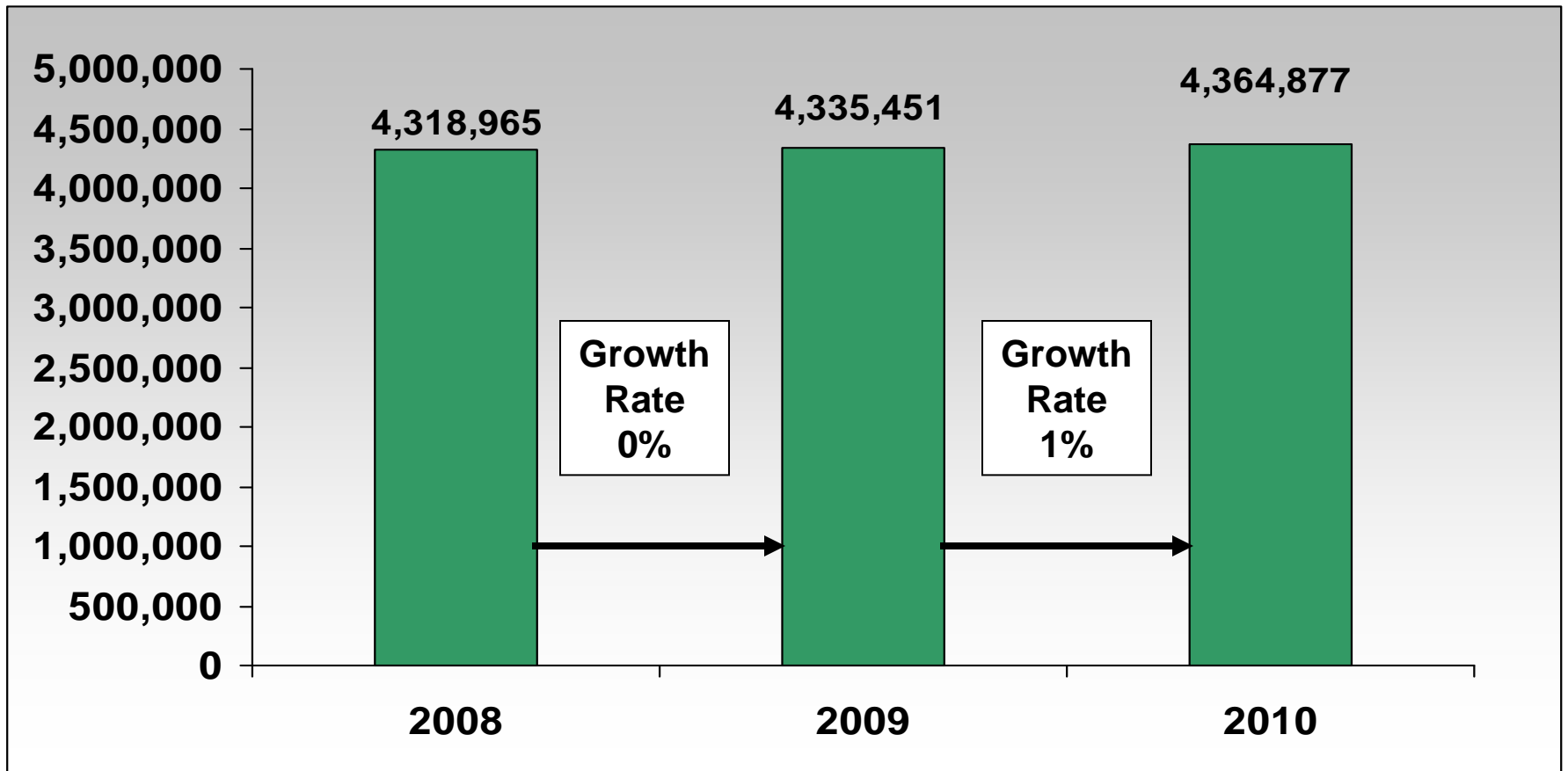
Source: 2010 ETA Marketing Database

Form 1120S Filers Small Business Corporation Income Tax Return

Processing Year 2010

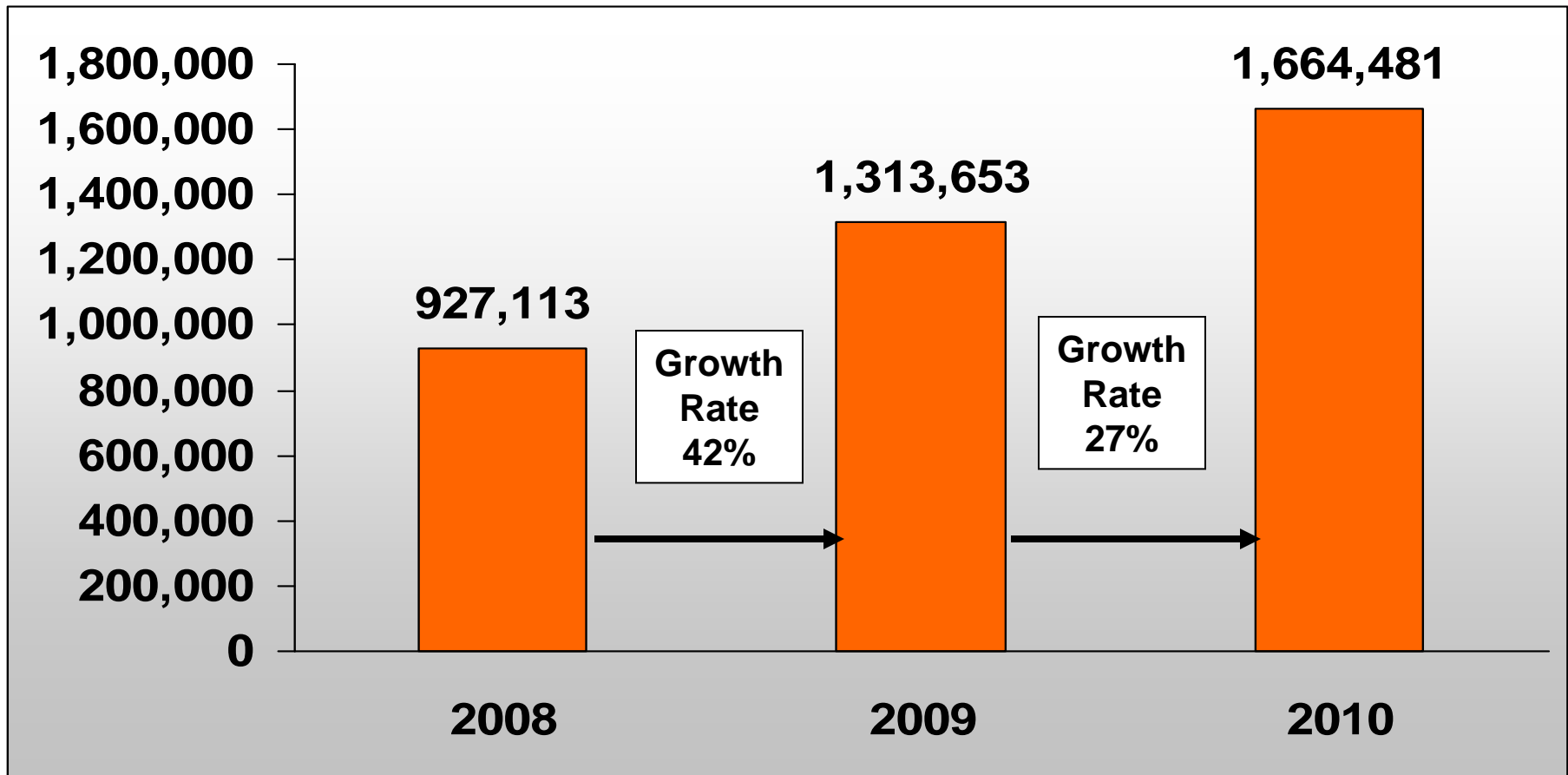


Form 1120S Annual Filing Volume Processing Year 2008 - 2010



Source: 2010 ETA Marketing Database

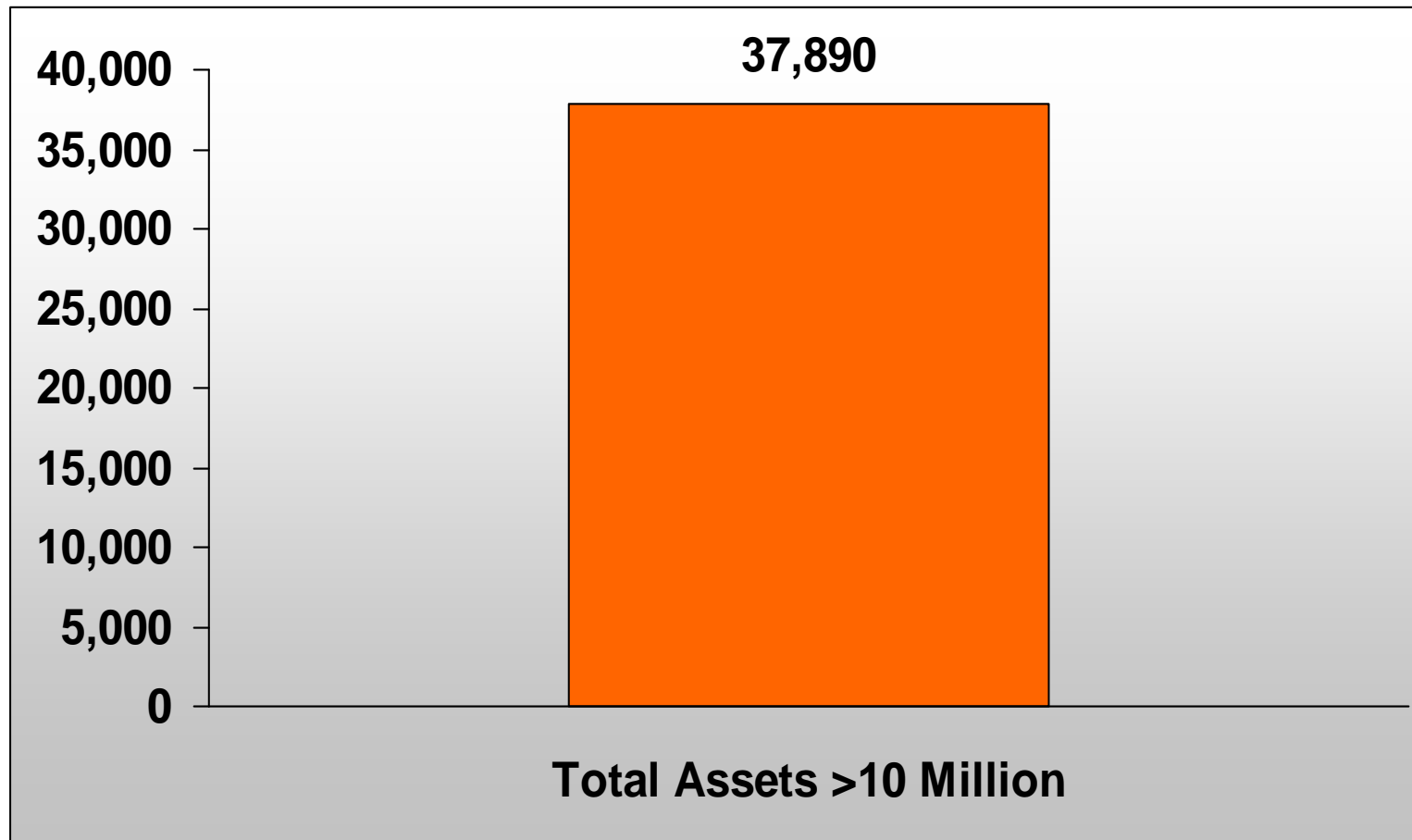
Annual *e-file* Volume for Form 1120S Processing Years 2008 - 2010



Source: 2010 ETA Marketing Database

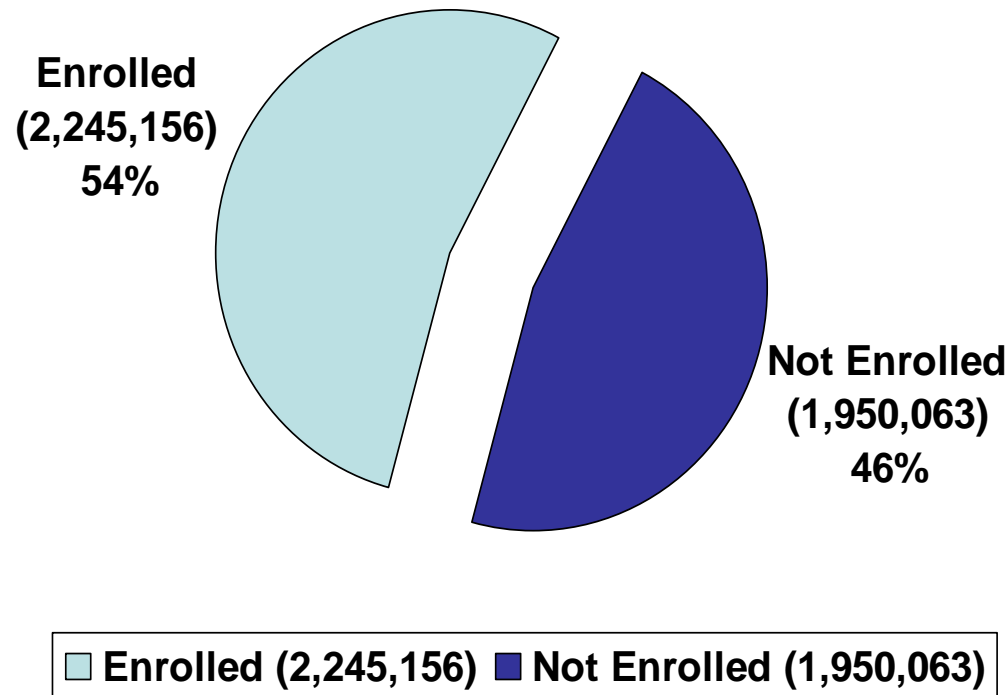
**In Processing Year 2010,
38% of all Form 1120S
returns were filed
electronically.**

Mandating Impact on Form 1120S



The electronic filing requirements apply only to entities that file at least 250 returns including income tax, excise tax, information and employment tax returns, during a calendar year.

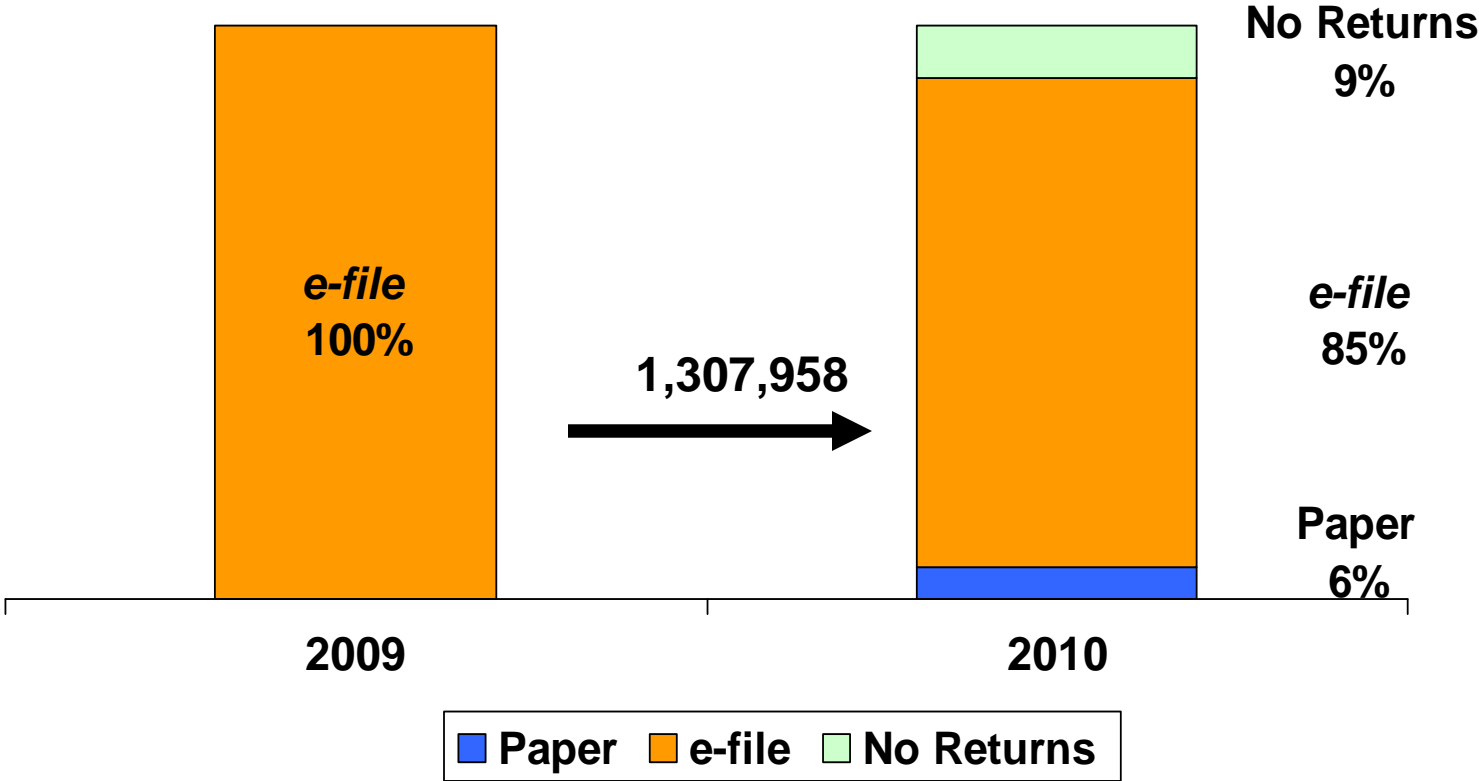
Form 1120S Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



Source: 2010 ETA Marketing Database

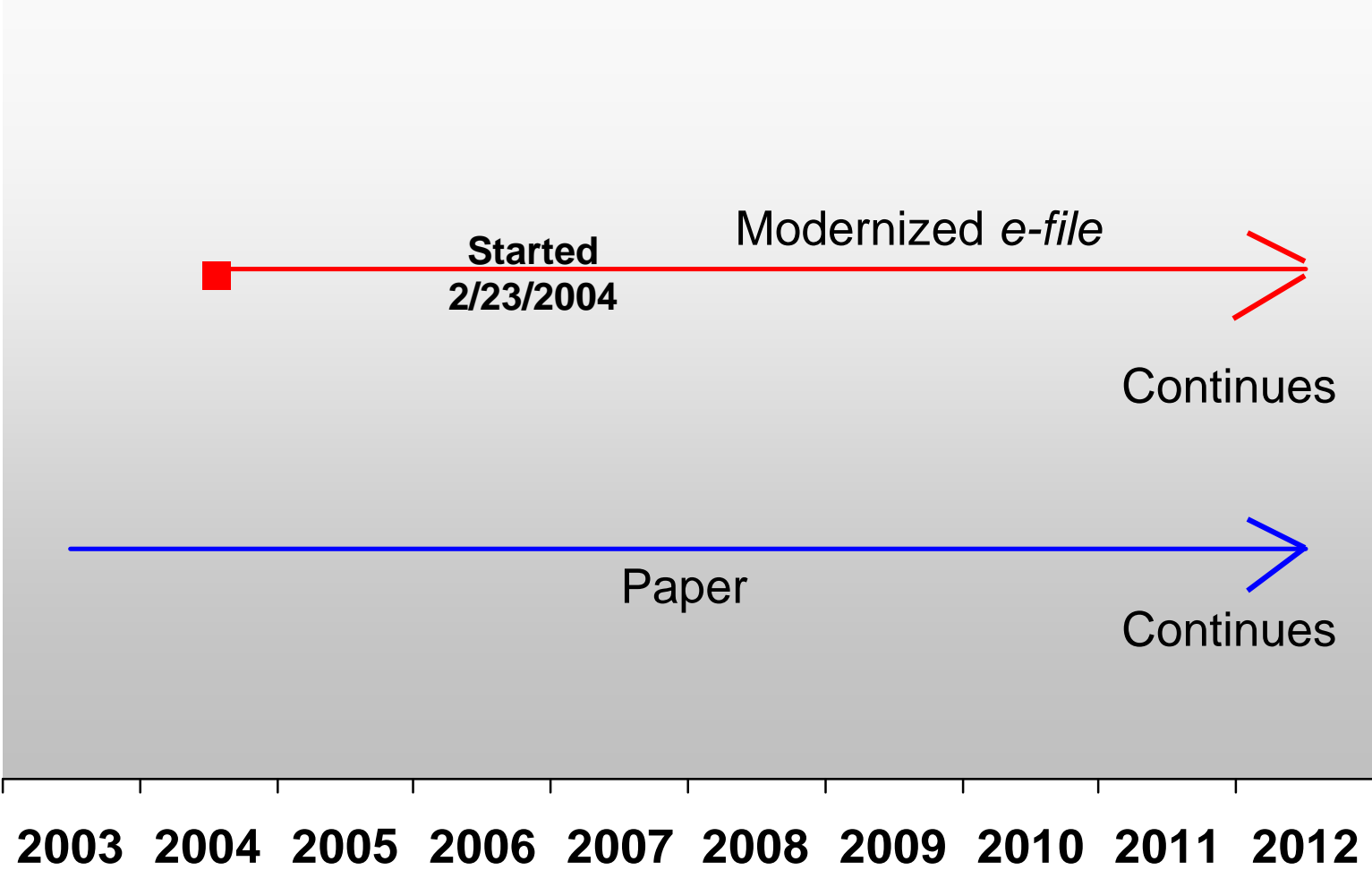
Form 1120S e-file Loyalty

85% of PY2009 Form 1120S electronic filers, e-filed in PY2010

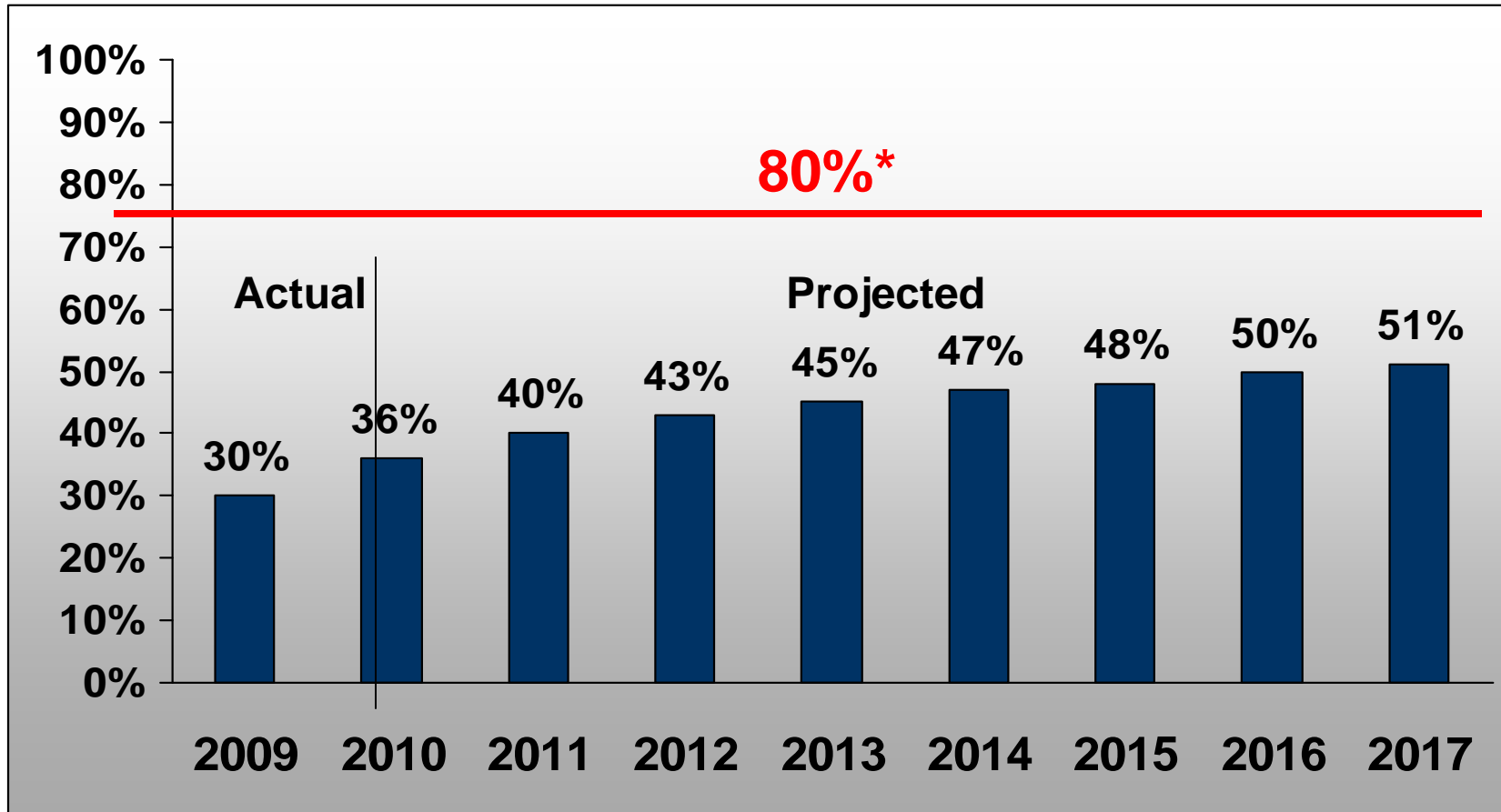


Source: 2010 ETA Marketing Database

Form 1120S: Implementation Schedule



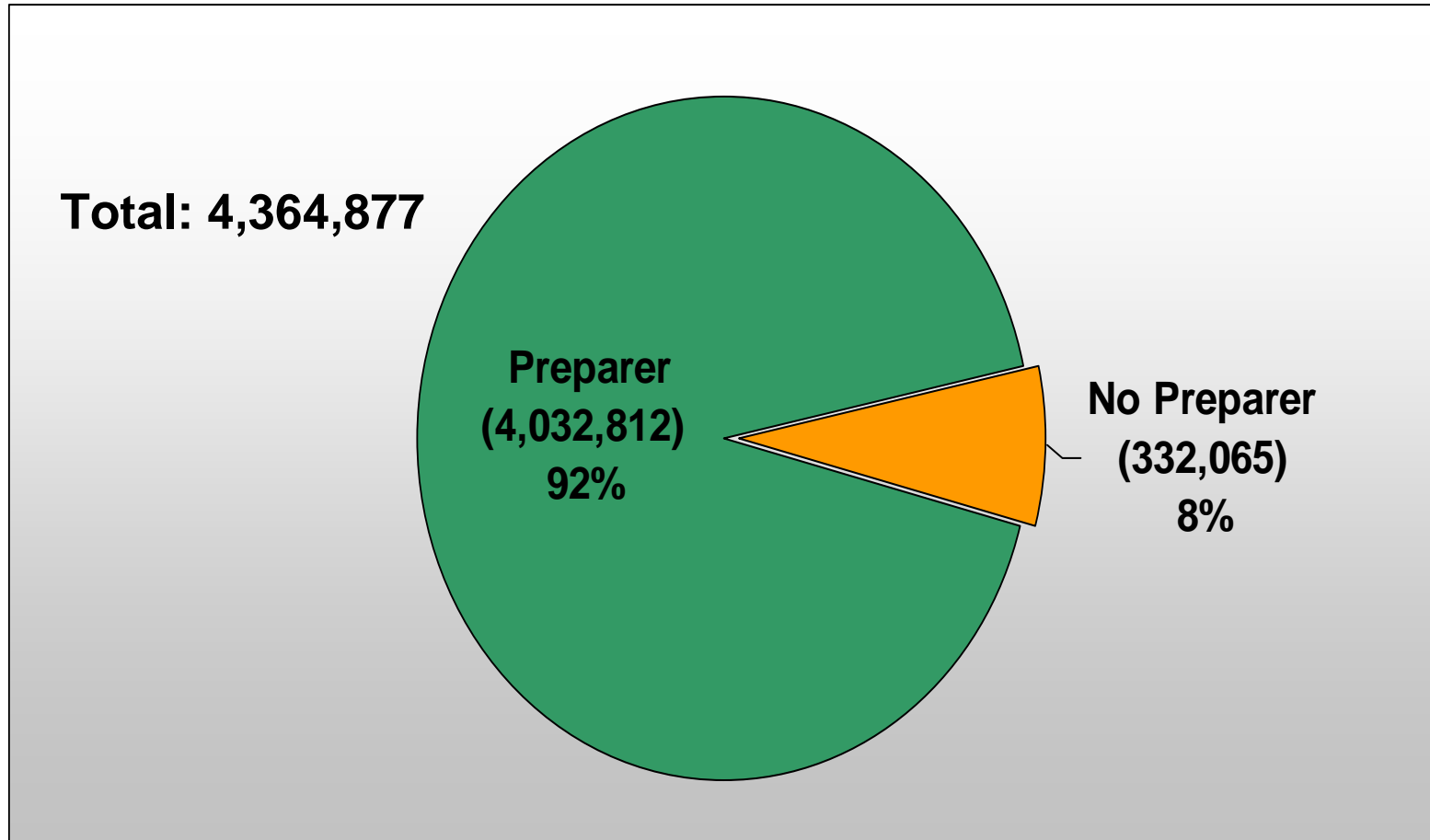
Form 1120S Projected *e-file* Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

Form 1120S Preparer/No Preparer Processing Year 2010



Source: 2010 ETA Marketing Database

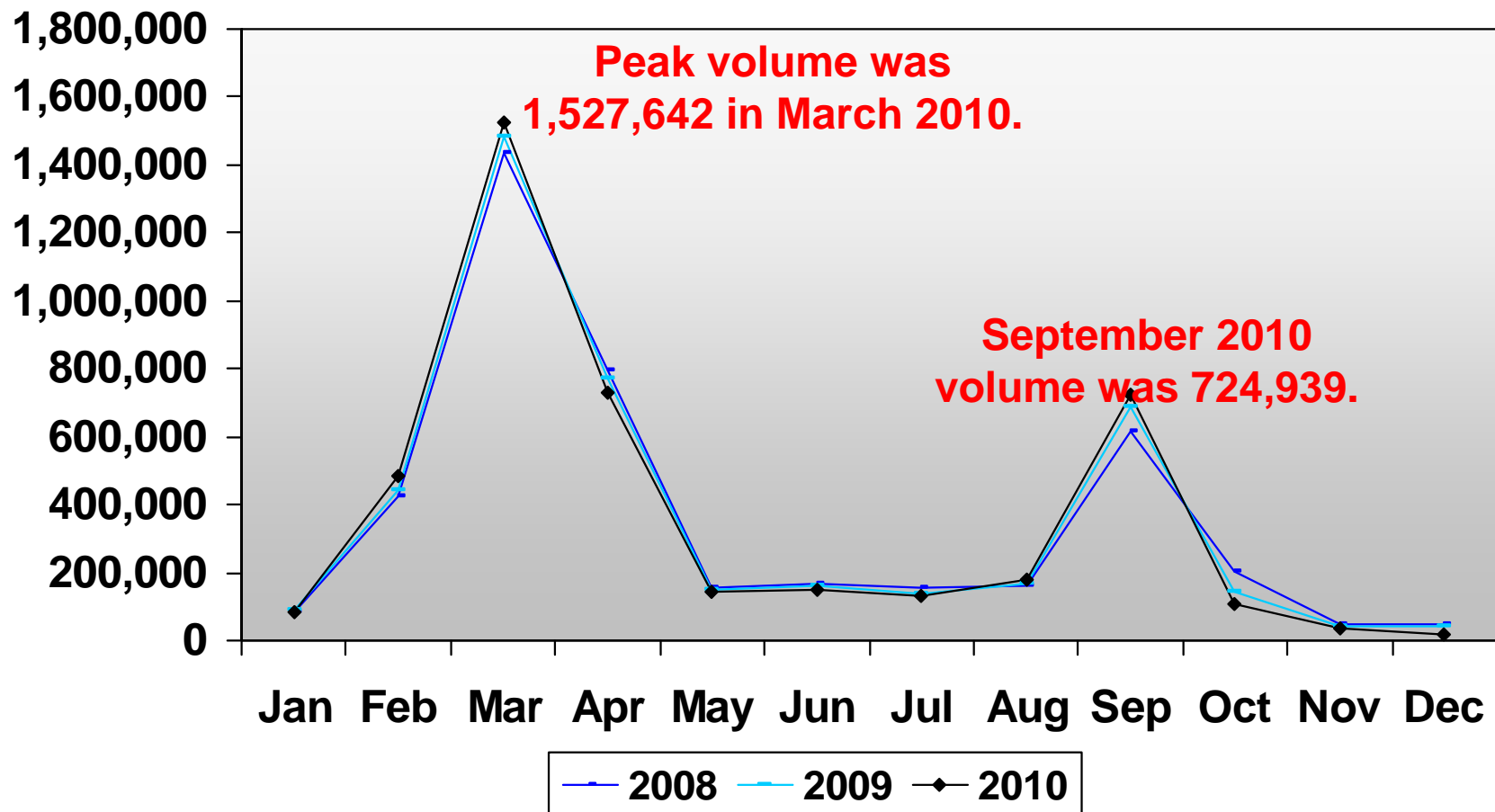
Form 1120S Effect of Mandates

Processing Year 2010

If Preparers were mandated to e-file at:	Preparers Impacted*	Reduction in Paper Returns
>100 Returns	4,252	77,610
>50 Returns	17,309	237,464
>10 Returns	83,414	738,828

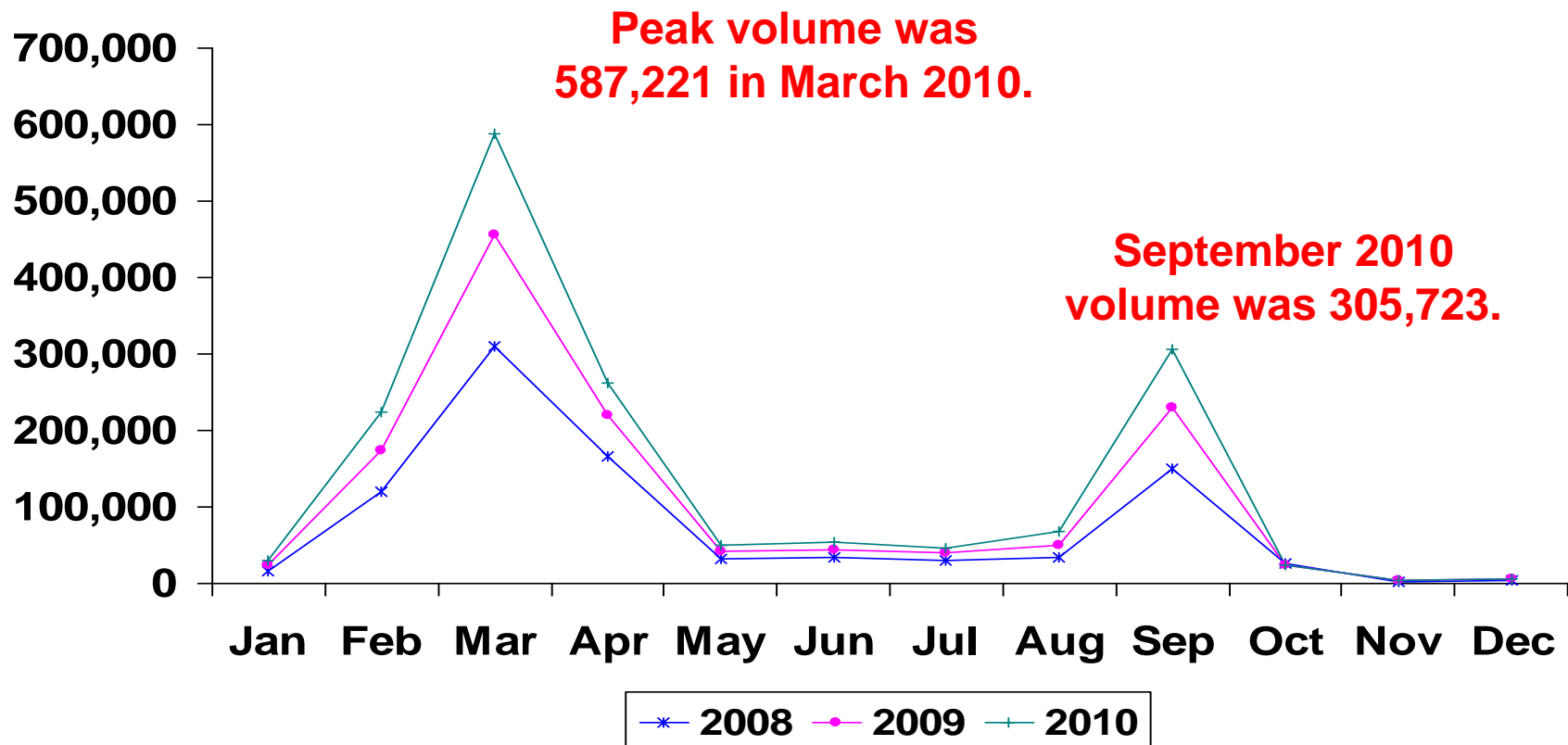
Source: 2010 ETA Preparer Database *Impacted preparers are those who meet the mandate limit and currently file paper returns.

Form 1120S: Monthly Filing Patterns



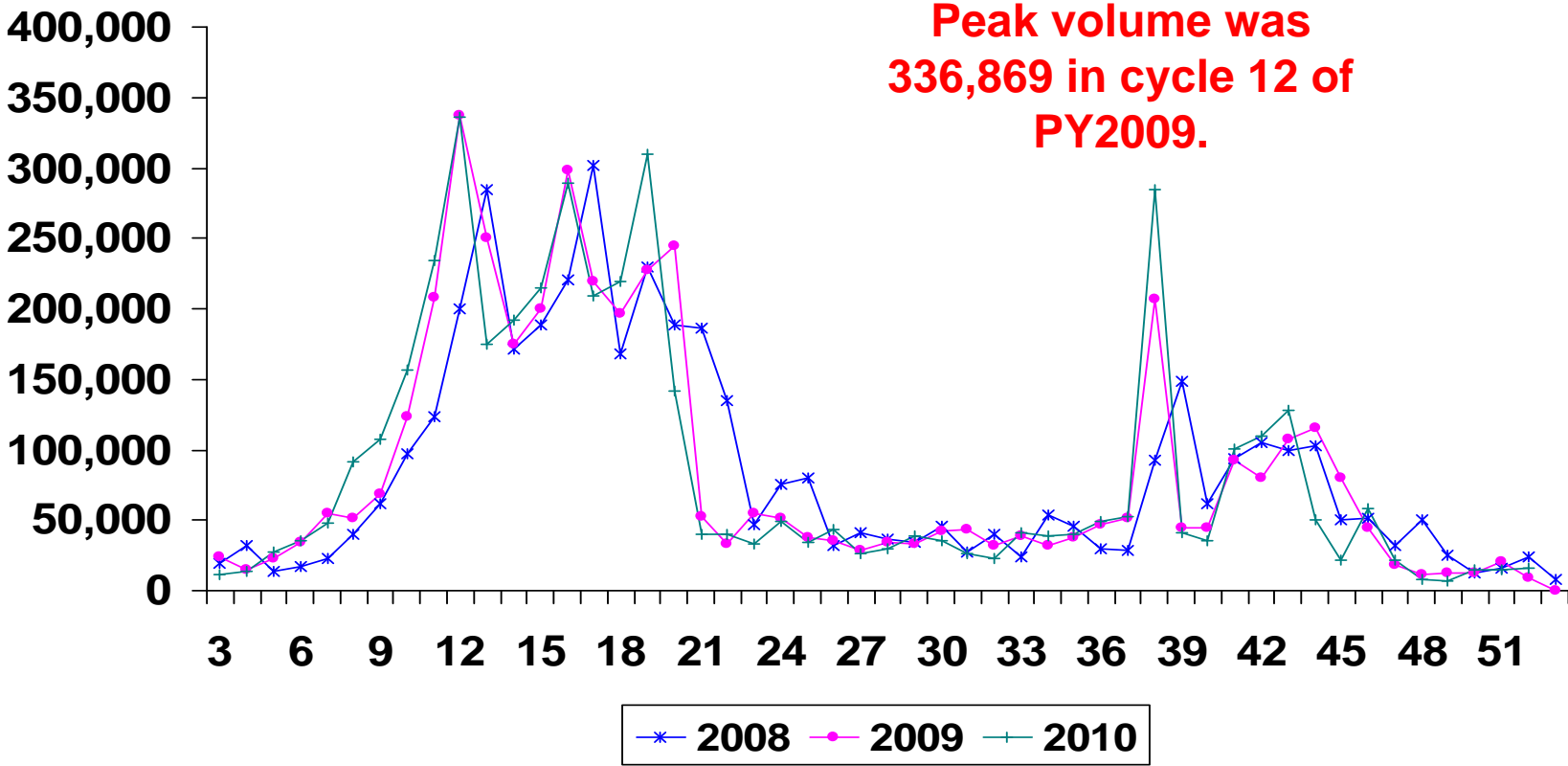
Source: 2010 ETA Preparer Database

e-file Form 1120S Monthly Filing Patterns



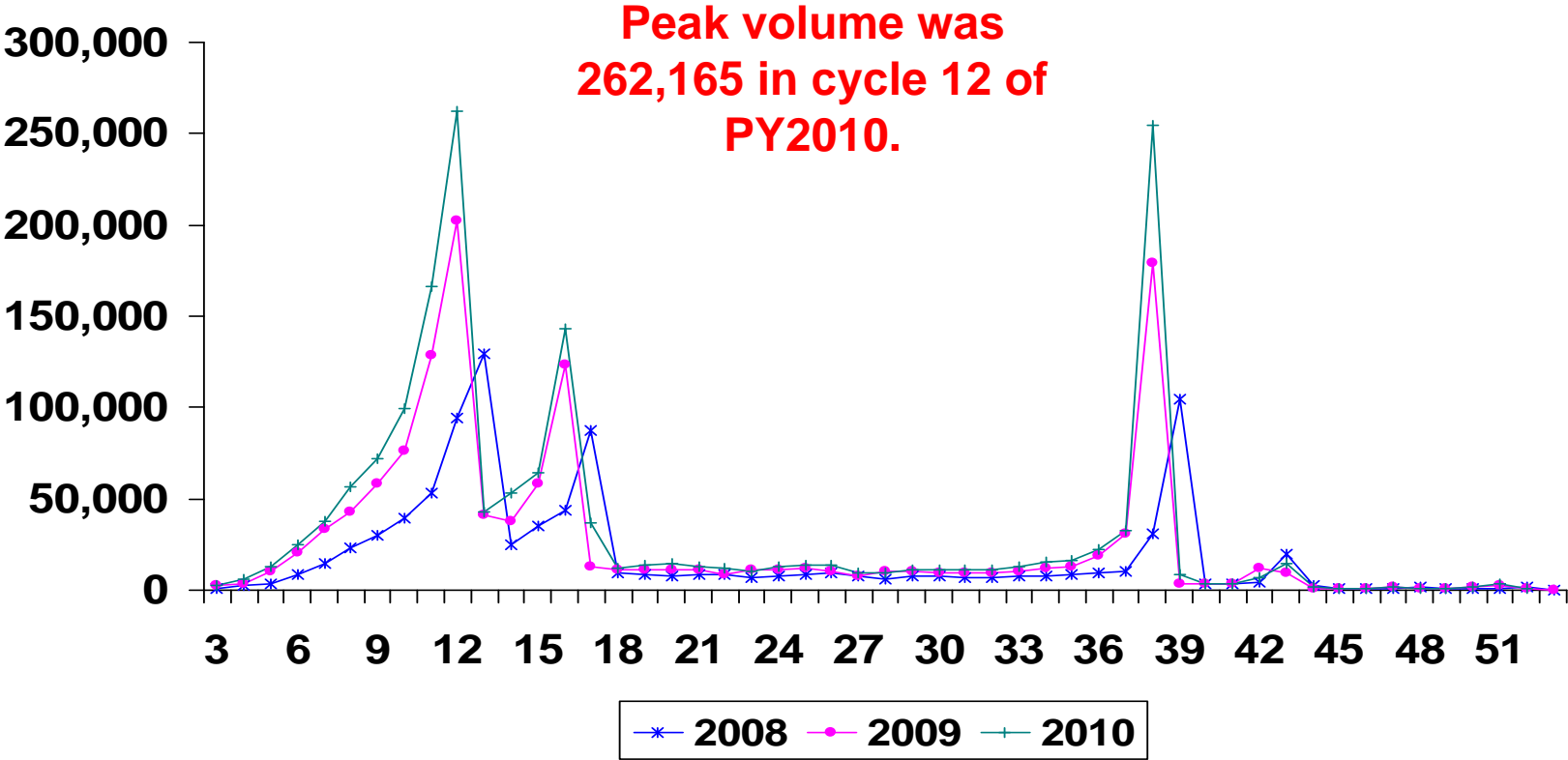
Source: 2010 ETA Preparer Database

Form 1120S Filing Pattern by Cycle Posted



Source: 2010 ETA Preparer Database

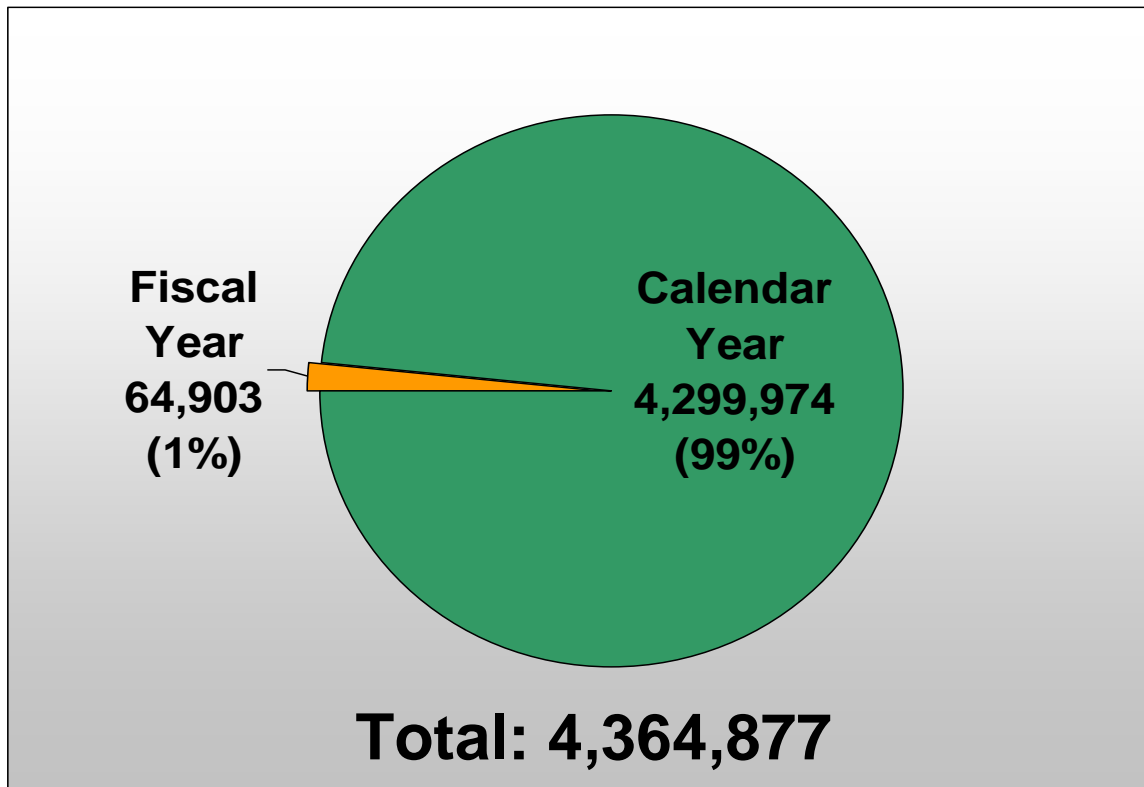
Form 1120S e-file Filing Pattern by Cycle Posted



Source: 2010 ETA Preparer Database

FORM 1120S Fiscal Year Returns vs. Calendar Year Returns

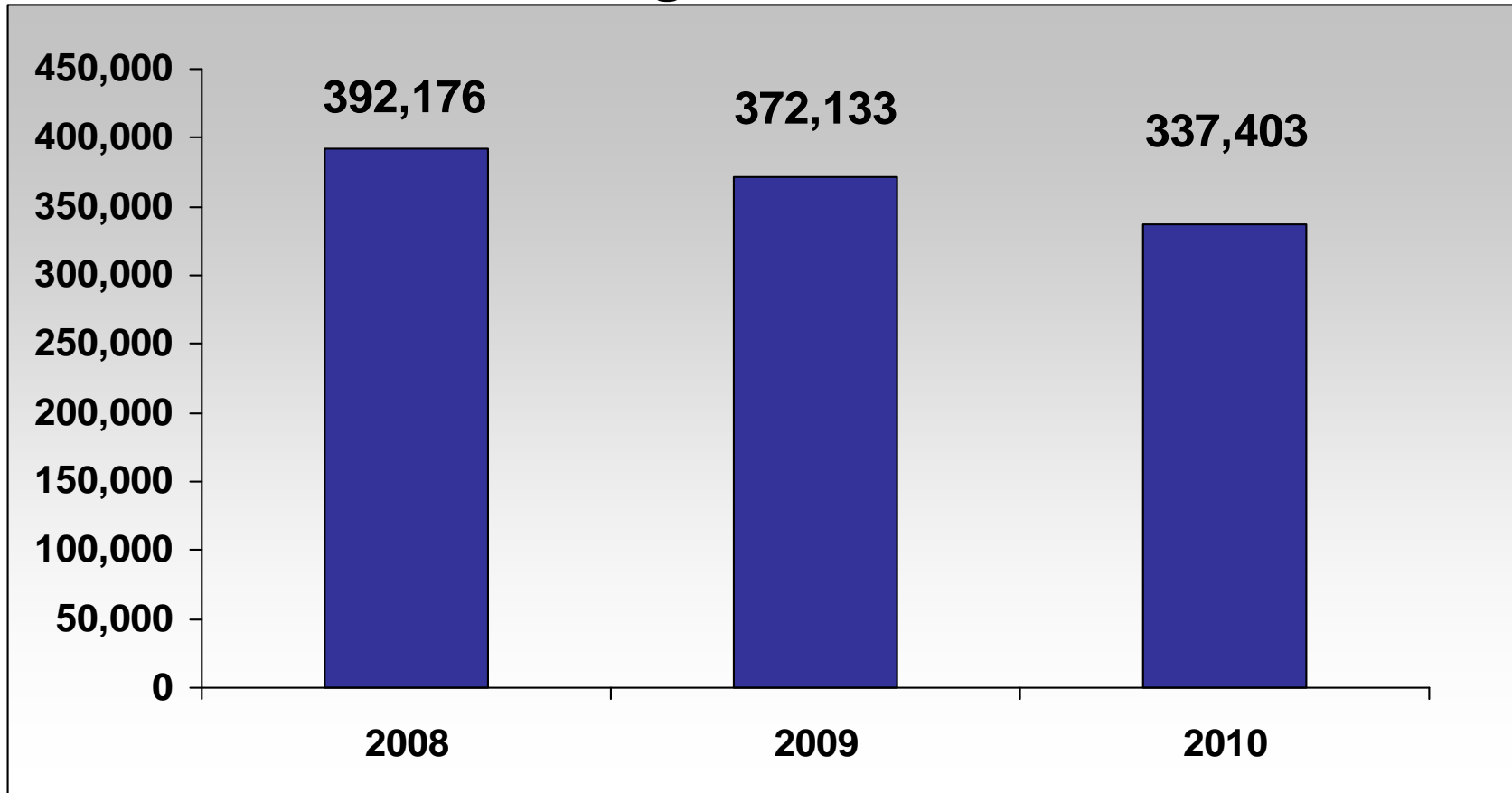
Processing Year 2010



Source: 2010 ETA Preparer Database

Form 1120S Initial Corporation Filings

Processing Years 2008 - 2010



Most Form 1120S Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	NAICS TITLE	PY2010	%*
541990	All Other Professional, Scientific, & Technical Services	151,905	3%
531390	Other Activities Related to Real Estate	135,385	3%
236110	Residential Building Construction	124,668	3%
238900	Other Specialty Trade Contractors	123,302	3%
531210	Offices of Real Estate Agents & Brokers	97,899	2%
812990	All Other Personal Services	96,125	2%
621111	Offices of Physicians (except mental health specialists)	94,445	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	92,794	2%
722110	Full-Service Restaurants	88,609	2%
541600	Management, Scientific, & Technical Consulting Services	74,303	2%

*The percentage of all Form 1120S returns filed in PY2010

Five of the top 10 NAICS codes represent real estate businesses.

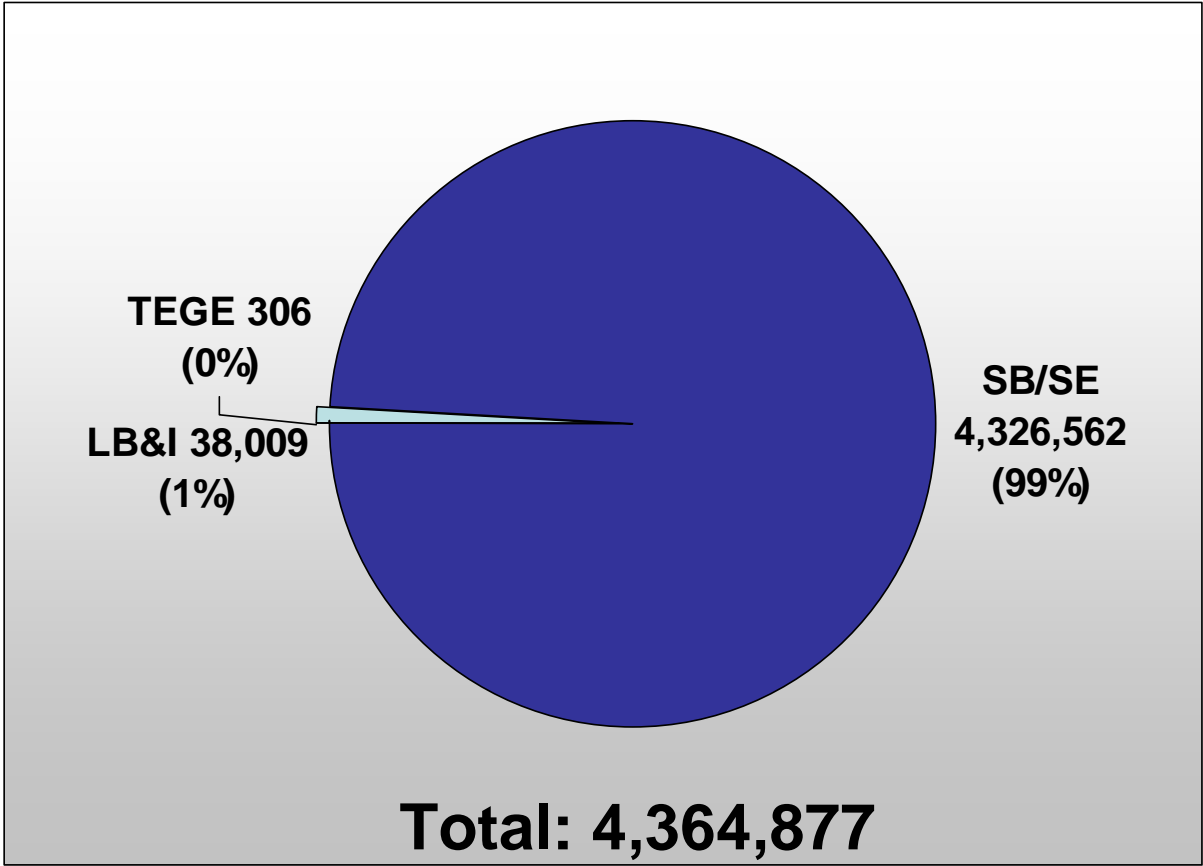
Most *e-filed* Forms 1120S by NAICS

(The North American Industry Classification System - NAICS)

CODE	NAICS TITLE	PY2010	%*
541990	All Other Professional, Scientific, & Technical Services	58,550	4%
531390	Other Activities Related to Real Estate	50,172	3%
238900	Other Specialty Trade Contractors	49,393	3%
236110	Residential Building Construction	48,166	3%
621111	Offices of Physicians (except mental health specialists)	38,222	2%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	37,323	2%
531210	Offices of Real Estate Agents & Brokers	36,378	2%
812990	All Other Personal Services	35,271	2%
722110	Full-Service Restaurants	34,604	2%
541600	Management, Scientific, & Technical Consulting Services	26,922	2%

* The percentage of all electronic Form 1120S returns filed in PY2010

Form 1120S Returns by Business Operating Division Processing Year 2010



Source: 2010 ETA Preparer Database

Form 1120S Returns by Assets & Filing Method

Processing Year 2010

	Paper	<i>e-file</i>	Total
Under \$200,000	2,081,767	1,218,373	3,300,140
\$200,000 to under \$10 Million	607,114	419,733	1,026,847
\$10 Million or More	<u>11,515</u>	<u>26,375</u>	<u>37,890</u>
Total	2,700,396	1,664,481	4,364,877

Source: 2010 ETA Preparer Database

Form 1120S Returns Filed by State

Processing Year 2010

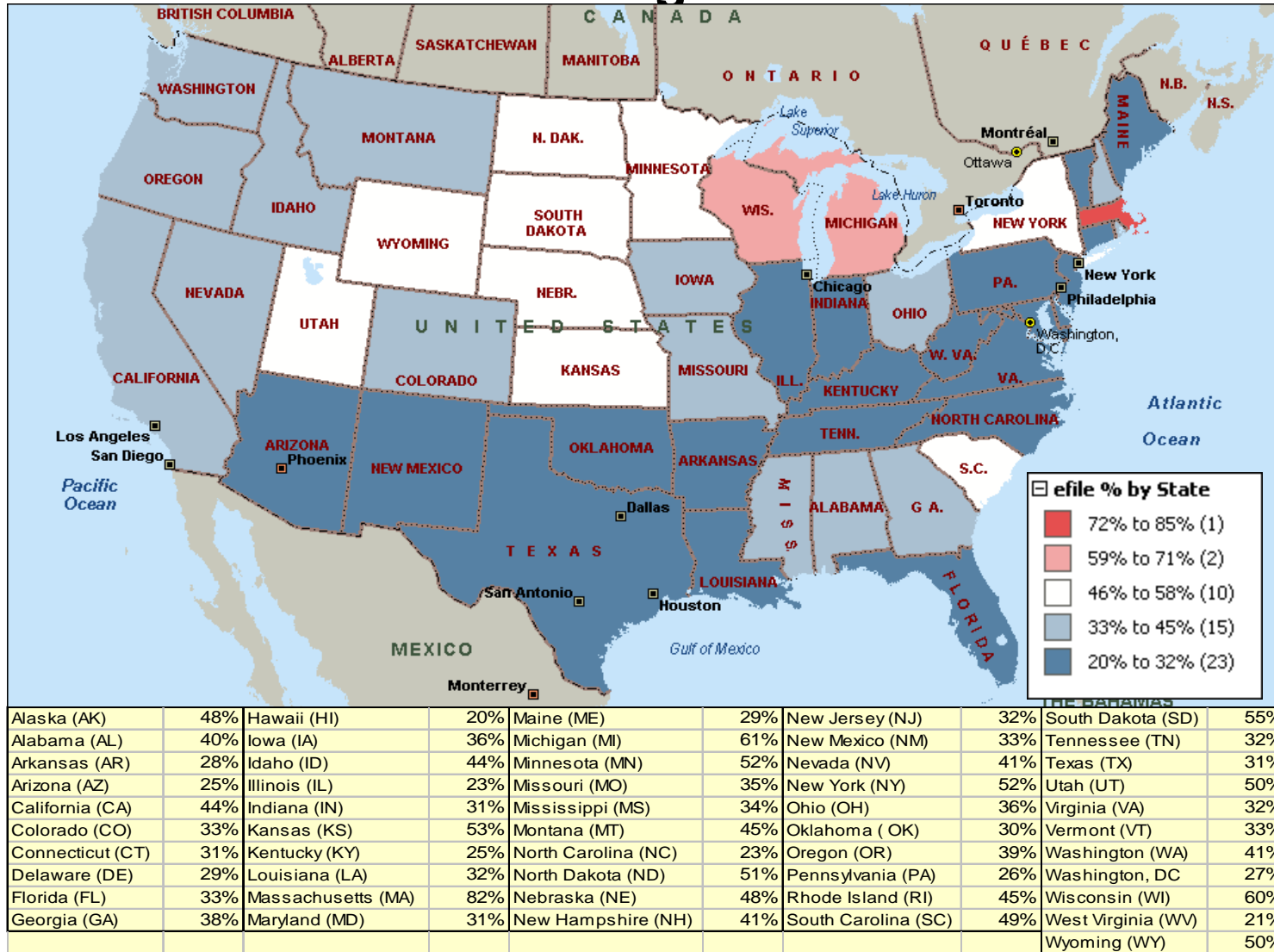


Alaska (AK)	8,243	Hawaii (HI)	13,735	Maine (ME)	22,351	New Jersey (NJ)	120,821	South Dakota (SD)	13,152
Alabama (AL)	49,568	Iowa (IA)	37,613	Michigan (MI)	127,440	New Mexico (NM)	20,433	Tennessee (TN)	34,790
Arkansas (AR)	39,531	Idaho (ID)	26,606	Minnesota (MN)	93,534	Nevada (NV)	42,002	Texas (TX)	237,784
Arizona (AZ)	80,450	Illinois (IL)	225,522	Missouri (MO)	65,084	New York (NY)	373,588	Utah (UT)	54,578
California (CA)	402,256	Indiana (IN)	90,239	Mississippi (MS)	27,737	Ohio (OH)	118,415	Virginia (VA)	105,362
Colorado (CO)	112,409	Kansas (KS)	32,878	Montana (MT)	23,229	Oklahoma (OK)	50,333	Vermont (VT)	11,330
Connecticut (CT)	27,031	Kentucky (KY)	50,353	North Carolina (NC)	134,756	Oregon (OR)	54,277	Washington (WA)	91,528
Delaware (DE)	14,634	Louisiana (LA)	55,099	North Dakota (ND)	9,463	Pennsylvania (PA)	154,322	Washington, DC	5,090
Florida (FL)	580,727	Massachusetts (MA)	86,900	Nebraska (NE)	29,376	Rhode Island (RI)	17,763	Wisconsin (WI)	57,791
Georgia (GA)	165,268	Maryland (MD)	74,081	New Hampshire (NH)	11,811	South Carolina (SC)	58,889	West Virginia (WV)	11,900
								Wyoming (WY)	11,920

Source: 2010 ETA Preparer Database

Form 1120S e-file Penetration by State

Processing Year 2010



Source: 2010 ETA Preparer Database

Form 1120/1120S Summary (PY2010)

- **48% of Form 1120 & 51% of Form 1120S returns are projected to be *e-filed* in CY2017.**
- **22% of Form 1120 & 30% of Form 1120S returns are currently *e-filed*.**
- **55% of Form 1120 & 54% of Form 1120S taxpayers are enrolled in EFTPS.**
- **29% of Form 1120 Series filers make payments electronically.**
- **Forms 1120 & 1120S have two peak volume filing months: March and September.**
- **SB/SE accounts for 97% of Forms 1120 and 99% of Forms 1120S filed.**
- **84% of Form 1120 & 92% of Form 1120S filers use a preparer.**

508 Accessible Table for Slide 60 – Forms 1120S Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	8,243	Illinois (IL)	225,522	North Carolina (NC)	134,756	South Carolina (SC)	58,889
Alabama (AL)	49,568	Indiana (IN)	90,239	North Dakota (ND)	9,463	South Dakota (SD)	13,152
Arkansas (AR)	39,531	Kansas (KS)	32,878	Nebraska (NE)	29,376	Tennessee (TN)	34,790
Arizona (AZ)	80,450	Kentucky (KY)	50,353	New Hampshire (NH)	11,811	Texas (TX)	237,784
California (CA)	402,256	Louisiana (LA)	55,099	New Jersey (NJ)	120,821	Utah (UT)	54,578
Colorado (CO)	112,409	Massachusetts (MA)	86,900	New Mexico (NM)	20,433	Virginia (VA)	105,362
Connecticut (CT)	27,031	Maryland (MD)	74,081	Nevada (NV)	42,002	Vermont (VT)	11,330
Delaware (DE)	14,634	Maine (ME)	22,351	New York (NY)	373,588	Washington (WA)	91,528
Florida (FL)	580,727	Michigan (MI)	127,440	Ohio (OH)	118,415	Washington (DC)	5,090
Georgia (GA)	165,268	Minnesota (MN)	93,534	Oklahoma (OK)	50,333	Wisconsin (WI)	57,791
Hawaii (HI)	13,735	Missouri (MO)	65,084	Oregon (OR)	54,277	West Virginia (WV)	11,900
Iowa (IA)	37,613	Mississippi (MS)	27,737	Pennsylvania (PA)	154,322	Wyoming (WY)	11,920
Idaho (ID)	26,606	Montana (MT)	23,229	Rhode Island (RI)	17,763		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 61 – Forms 1120S e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	48%	Illinois (IL)	23%	North Carolina (NC)	23%	South Carolina (SC)	49%
Alabama (AL)	40%	Indiana (IN)	31%	North Dakota (ND)	51%	South Dakota (SD)	55%
Arkansas (AR)	28%	Kansas (KS)	53%	Nebraska (NE)	48%	Tennessee (TN)	32%
Arizona (AZ)	25%	Kentucky (KY)	25%	New Hampshire (NH)	41%	Texas (TX)	31%
California (CA)	44%	Louisiana (LA)	32%	New Jersey (NJ)	32%	Utah (UT)	50%
Colorado (CO)	33%	Massachusetts (MA)	82%	New Mexico (NM)	33%	Virginia (VA)	32%
Connecticut (CT)	31%	Maryland (MD)	31%	Nevada (NV)	41%	Vermont (VT)	33%
Delaware (DE)	29%	Maine (ME)	29%	New York (NY)	52%	Washington (WA)	41%
Florida (FL)	33%	Michigan (MI)	61%	Ohio (OH)	36%	Washington (DC)	27%
Georgia (GA)	38%	Minnesota (MN)	52%	Oklahoma (OK)	30%	Wisconsin (WI)	60%
Hawaii (HI)	20%	Missouri (MO)	35%	Oregon (OR)	39%	West Virginia (WV)	21%
Iowa (IA)	36%	Mississippi (MS)	34%	Pennsylvania (PA)	26%	Wyoming (WY)	50%
Idaho (ID)	44%	Montana (MT)	45%	Rhode Island (RI)	45%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 1120F**

**Electronic Tax Administration
Business ETA Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides information about Forms 1120F for Processing Year (PY) 2010

Acknowledgements

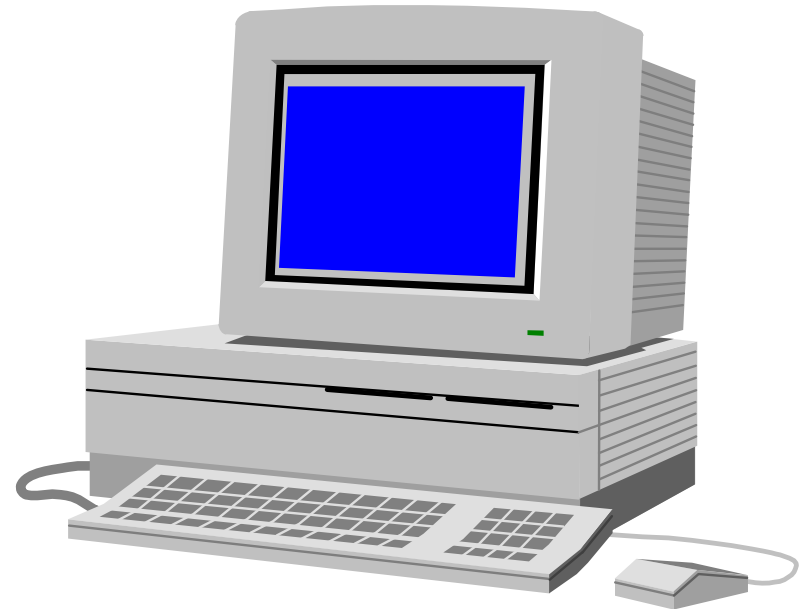
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database**
- **It contains information on all returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



Form 1120F Filers

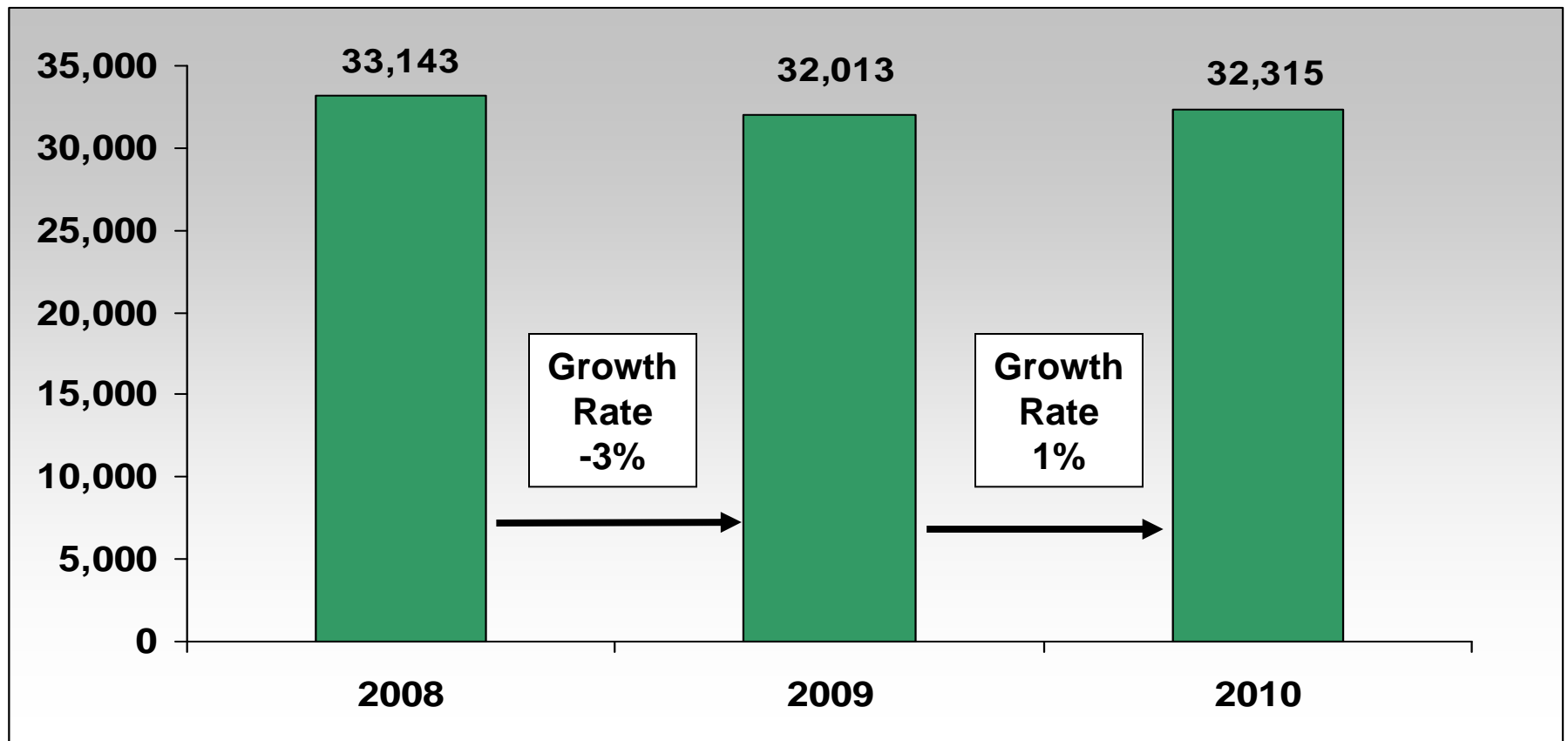
U.S. Income Tax Return of a Foreign Corporation Processing Year 2010



FORM 1120F

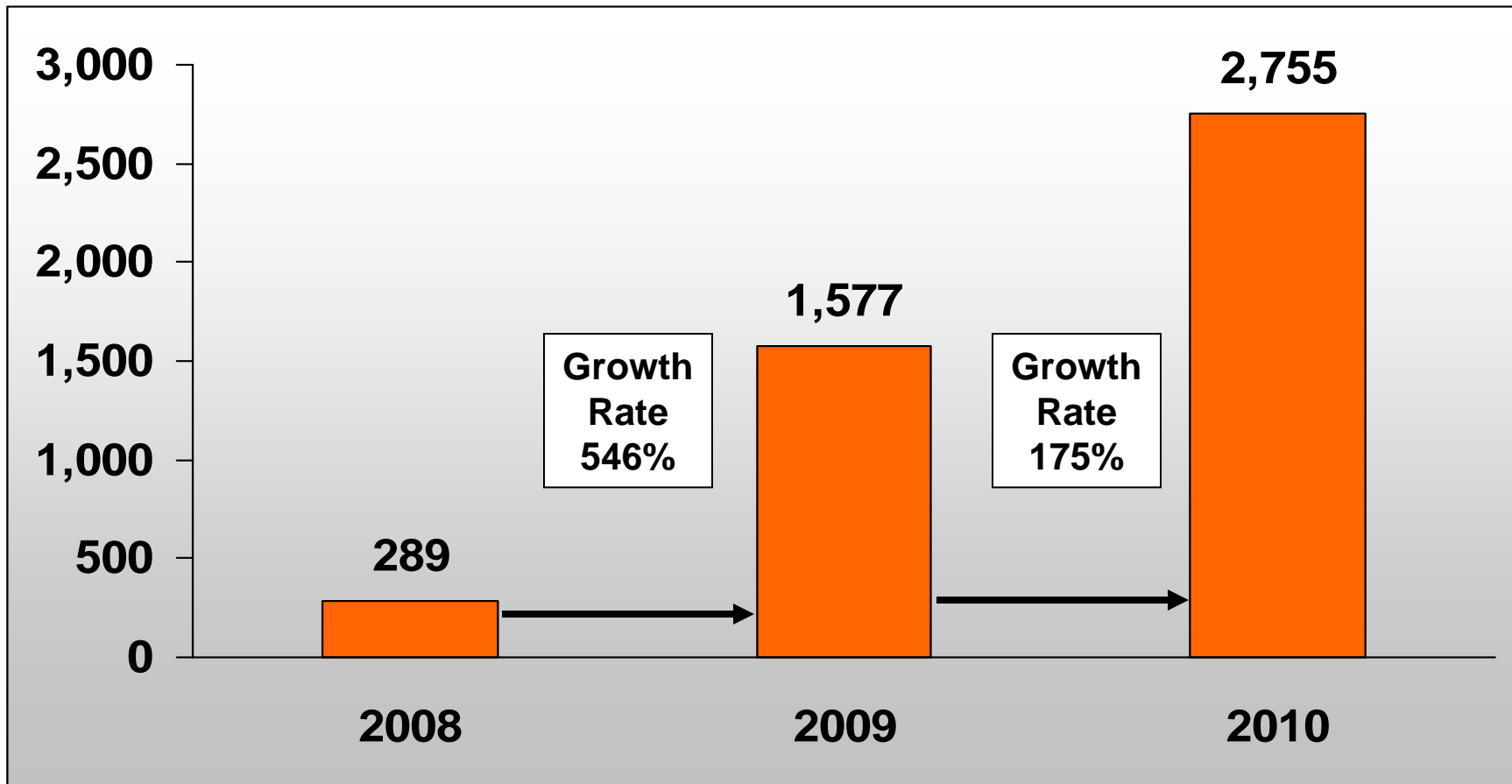
Annual Filing Volume

Processing Years 2008-2010



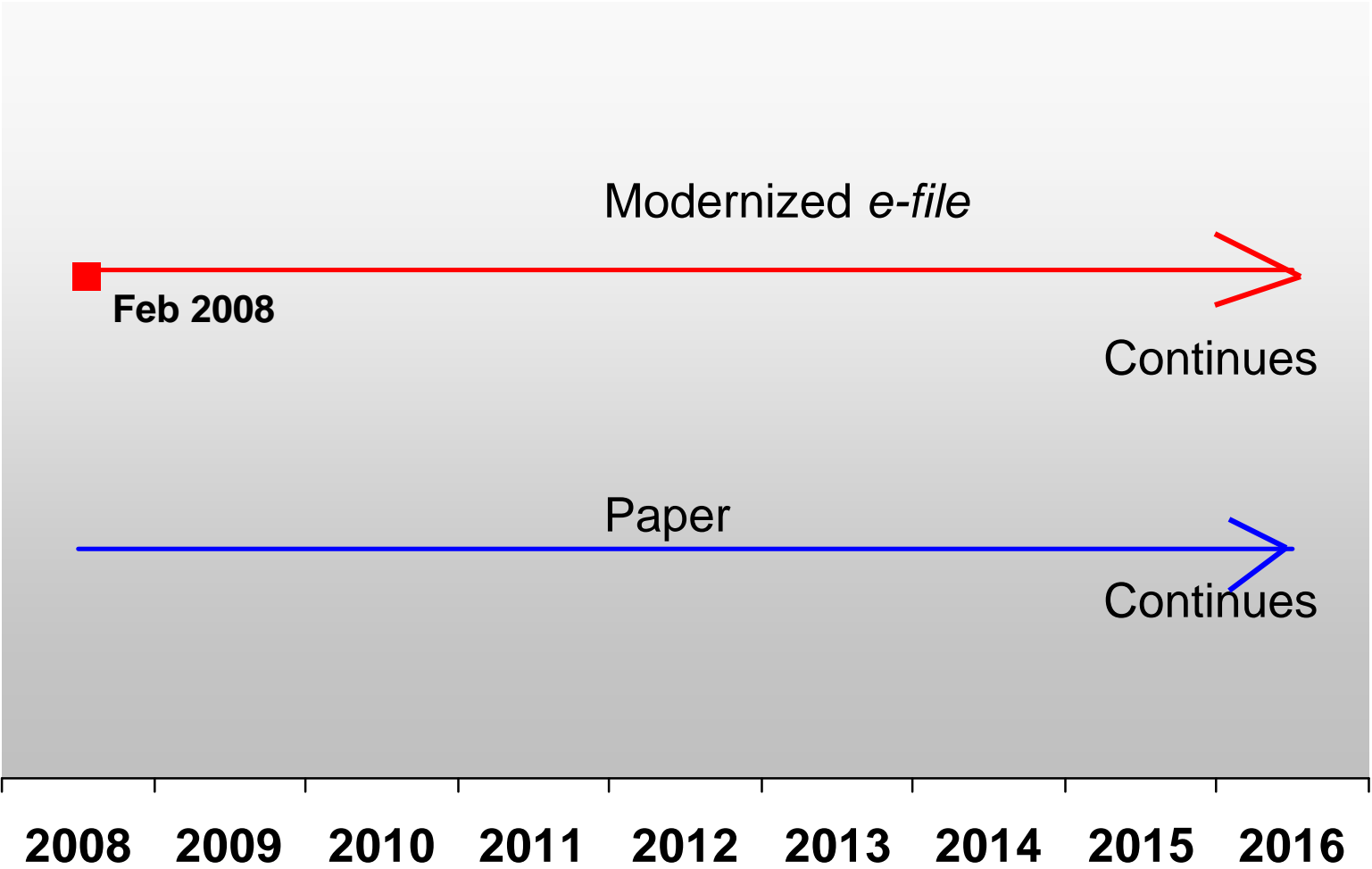
Source: 2010 ETA Marketing Database

Annual Filing volume for *e-file* Form 1120F Processing Years 2008-2010

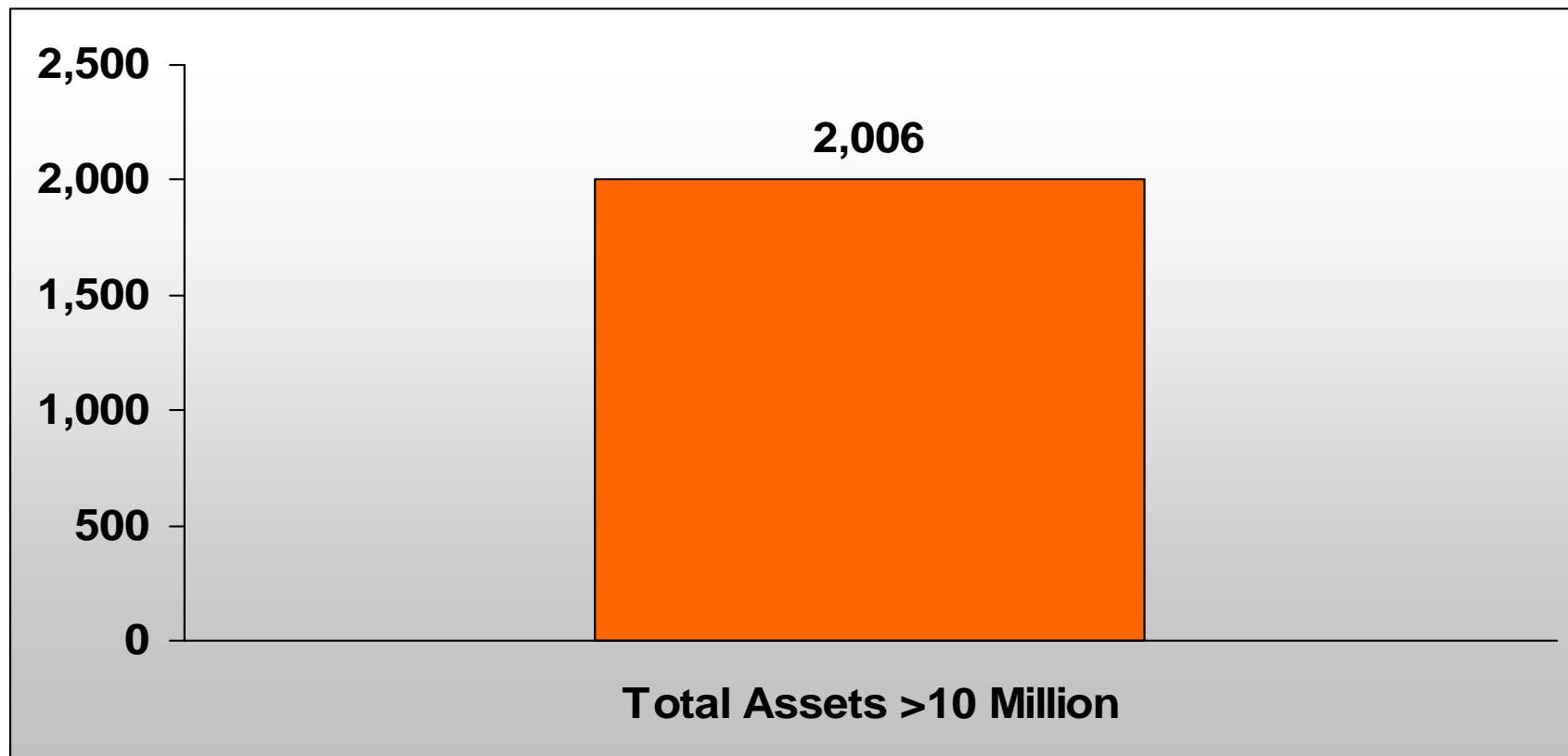


Source: 2010 ETA Marketing Database

Form 1120F: Implementation Schedule



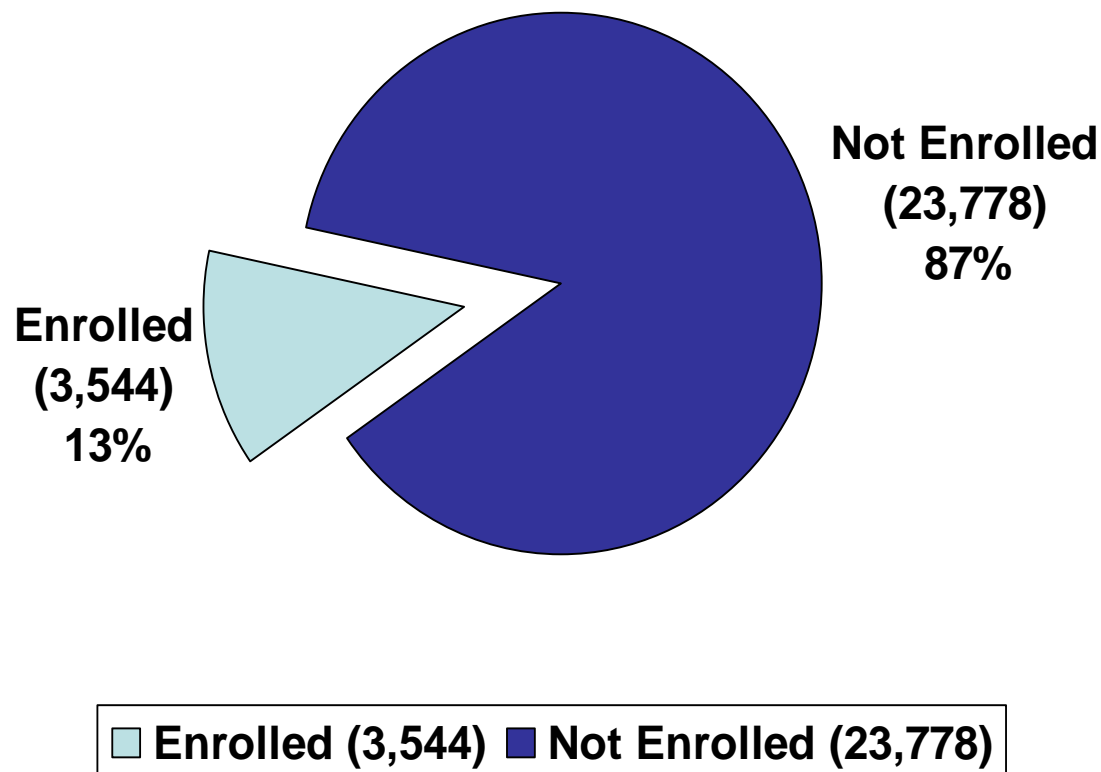
Form 1120F Taxpayers Impacted by Mandating *e-filing* for Asset Threshold Processing Year 2010



The electronic filing requirements only apply to entities that file at least 250 returns, including income tax, excise tax, information and employment tax returns, during a calendar year.

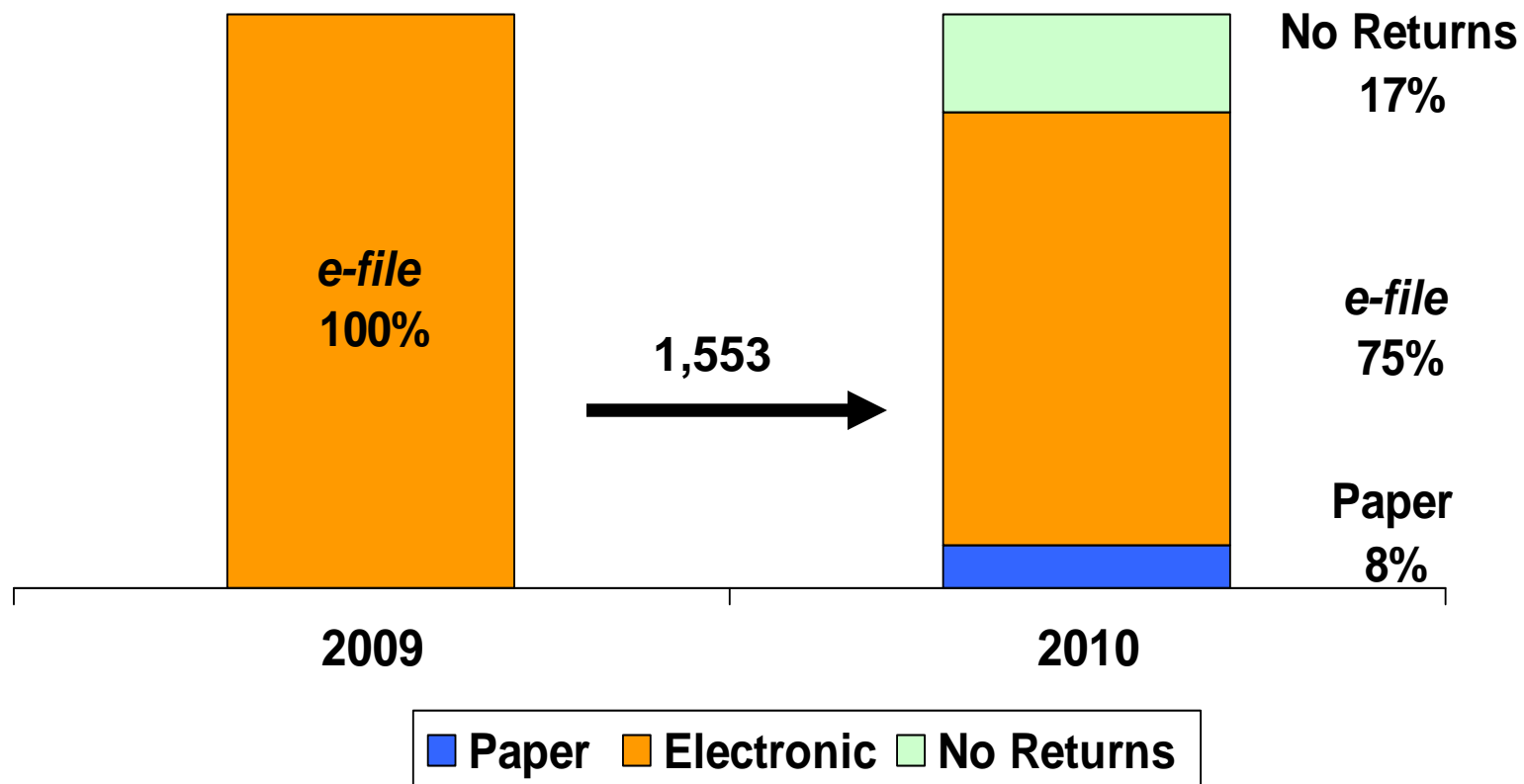
**In Processing Year 2010,
9% of all Form 1120F
returns were filed
electronically.**

Form 1120F Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



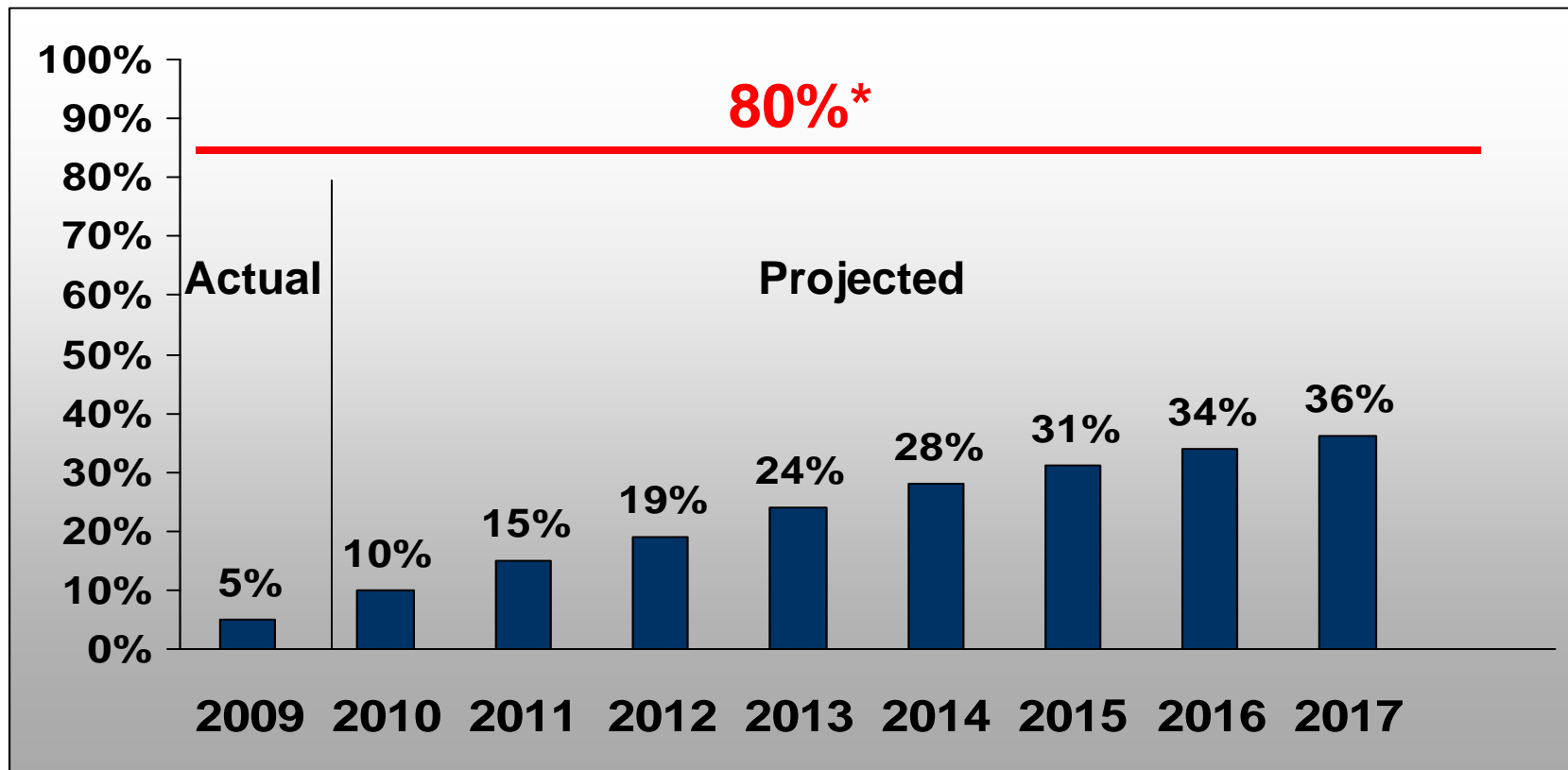
Form 1120F e-file Loyalty

75% of PY2009 Form 1120F electronic filers e-filed in PY2010



Source: 2010 ETA Marketing Database

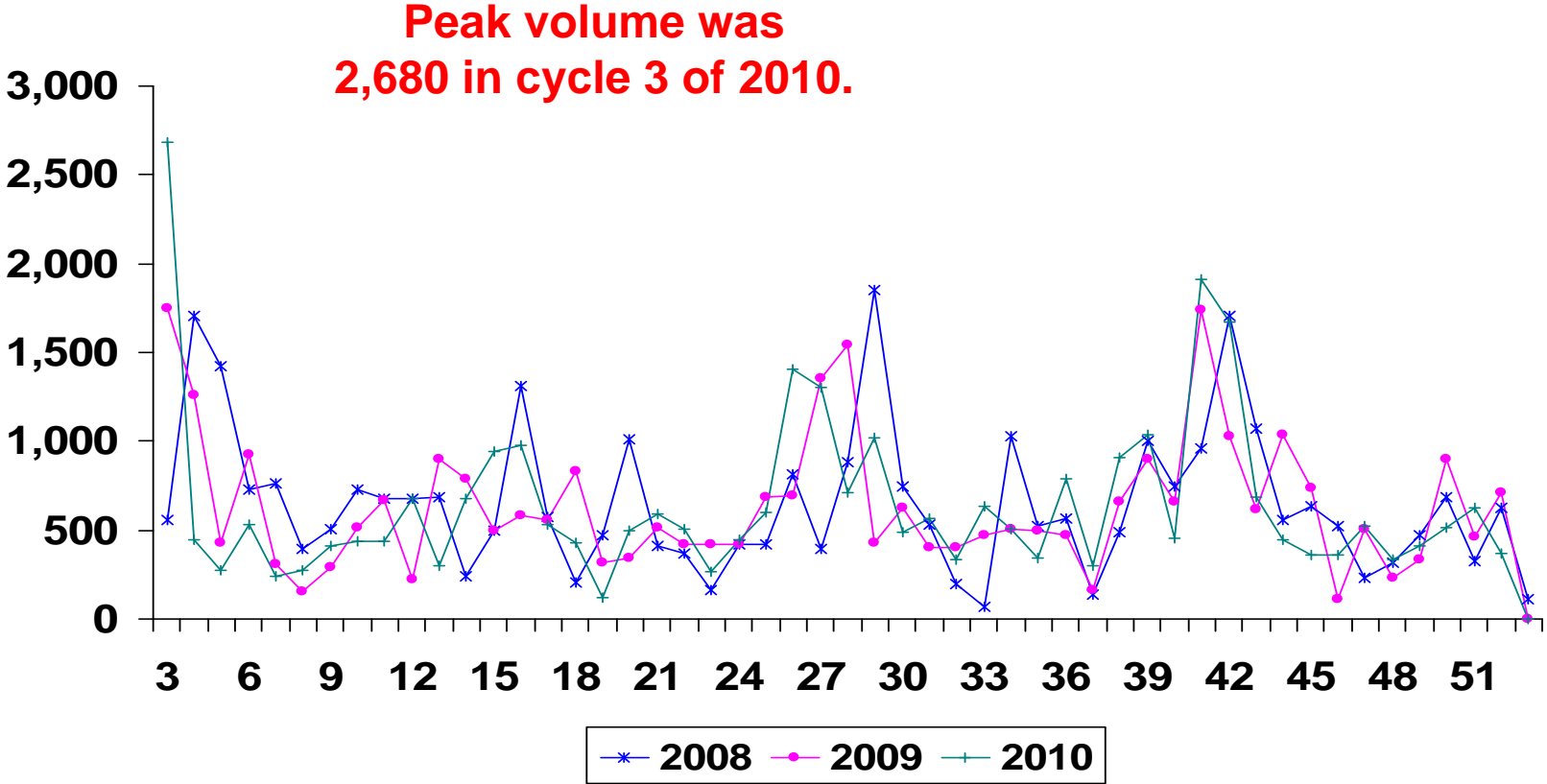
Form 1120F Projected *e-file* Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

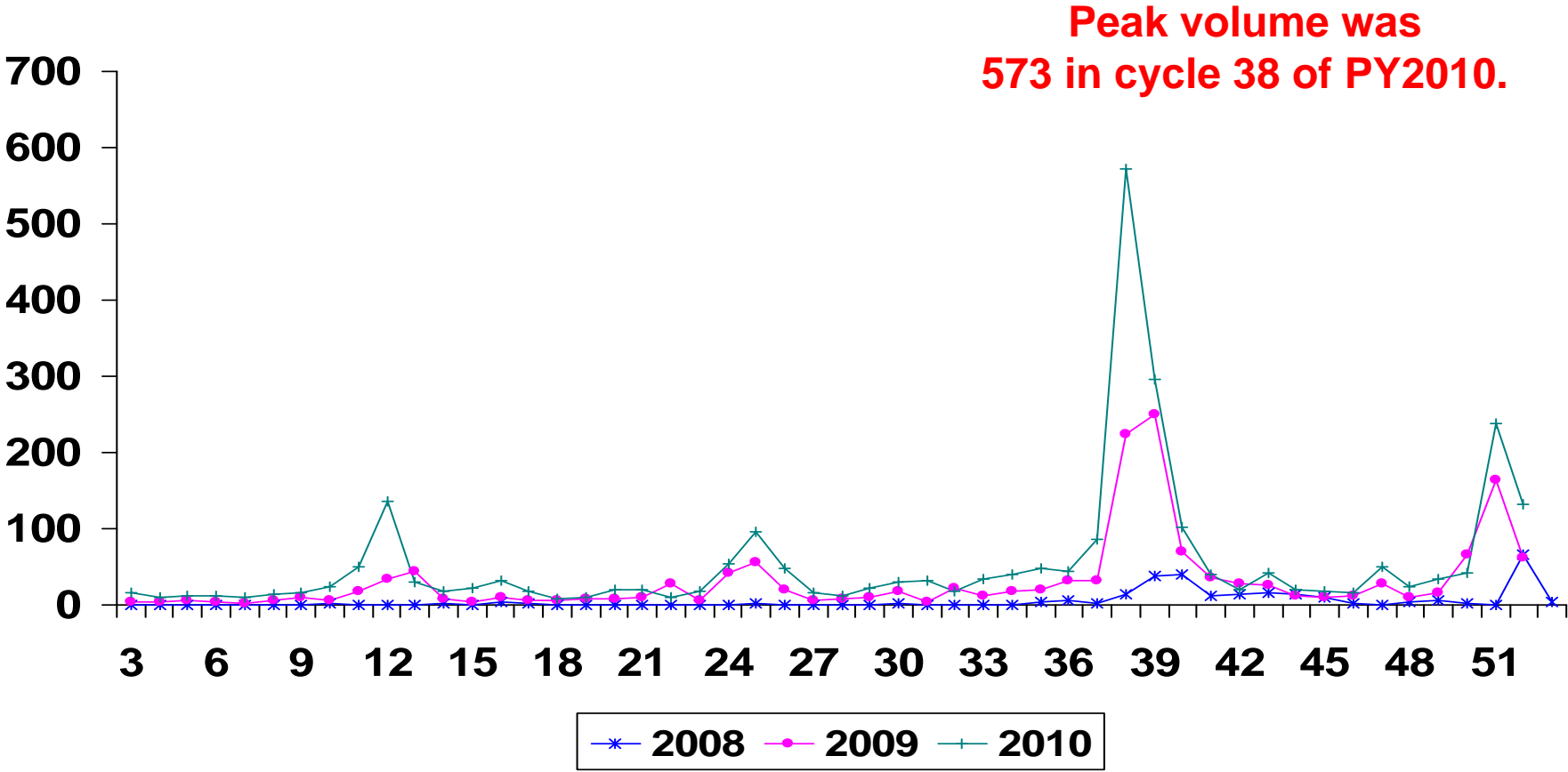
*Congressional *e-file* goal

Form 1120F Filing Pattern by Cycle Posted



Source: 2010 ETA Marketing Database

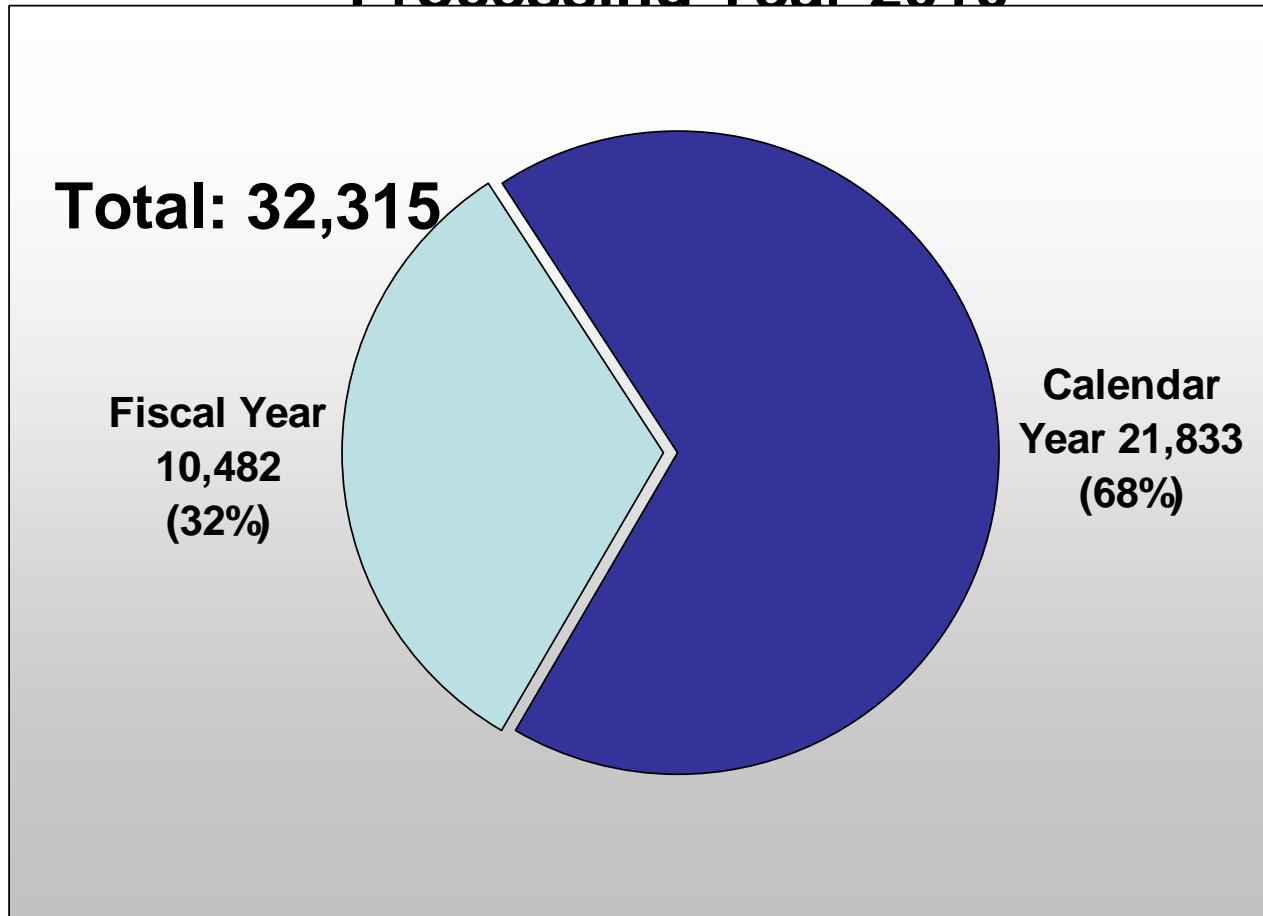
Form 1120F e-file Filing Pattern by Cycle Posted



Source: 2010 ETA Marketing Database

Form 1120F Fiscal Year Returns vs. Calendar Year Returns

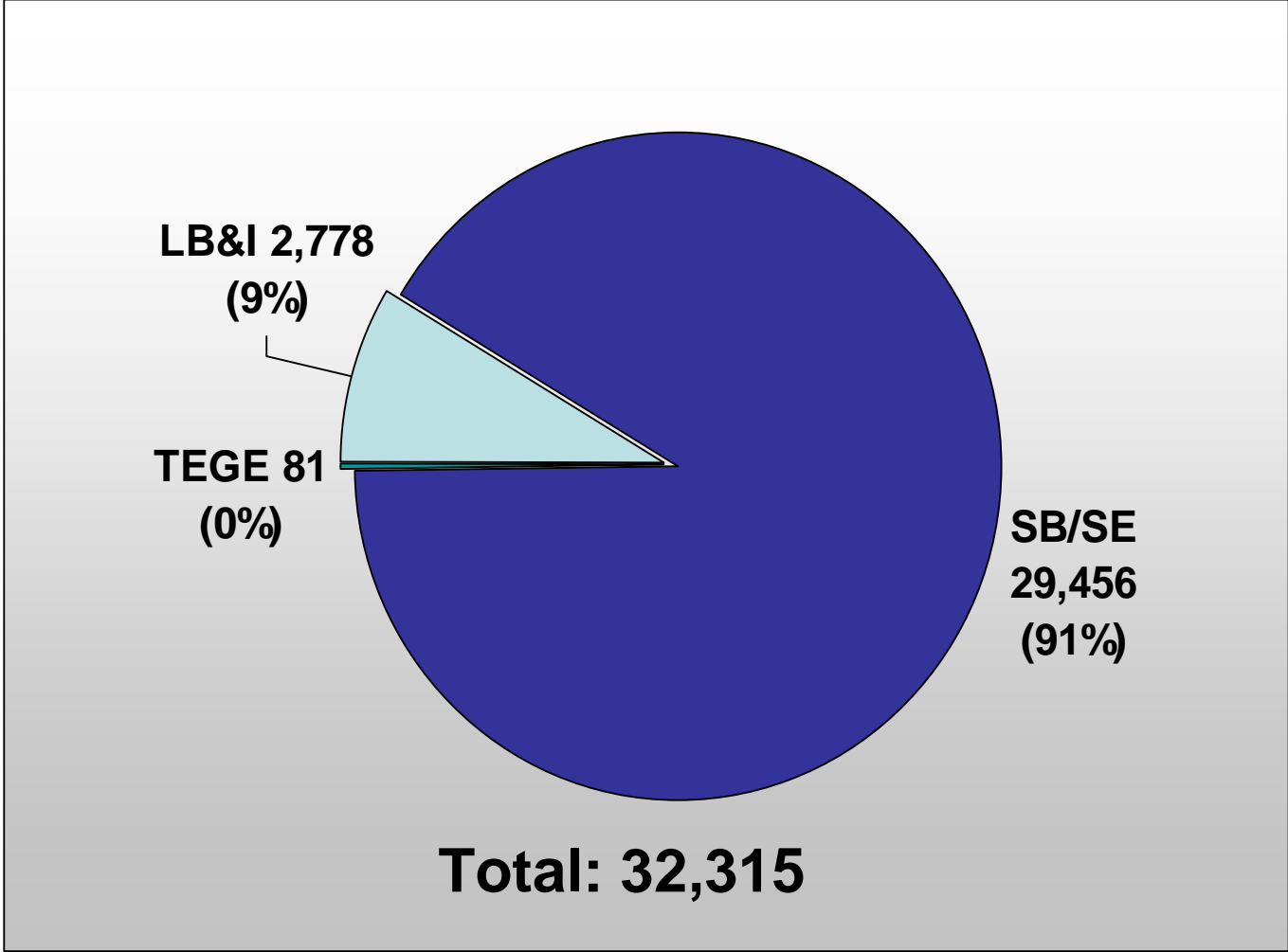
Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1120F Returns by Business Operating Division

Processing Year 2010



Source: 2010 ETA Marketing Database

Most Form 1120F Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	% *
483000	Water Transportation	3,382	10%
531390	Other Activities Related to Real Estate	2,663	8%
523900	Other Financial Investment Activities (including portfolio management & investment advice)	2,330	7%
531110	Lessors of Residential Buildings & Dwellings	1,969	6%
551112	Offices of Other Holding Companies	1,855	6%
520000	Finance and Insurance	817	3%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	720	2%
541990	All Other Professional, Scientific, & Technical Services	550	2%
484120	General Freight Trucking, Long-distance	521	2%
480000	Transportation	483	1%

* The percentage of all Form 1120F returns filed in PY2010

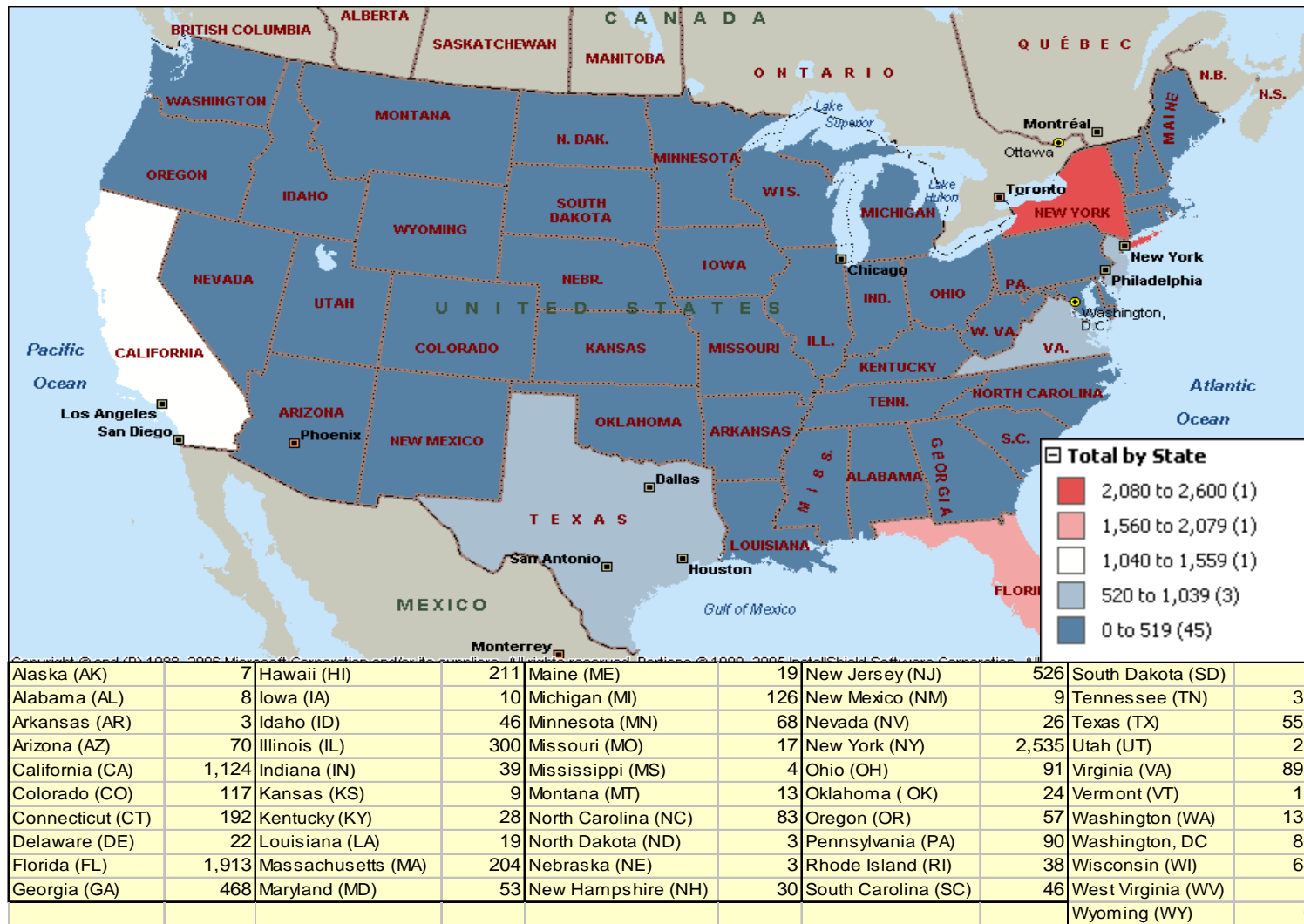
Most *e-filed* Forms 1120F by NAICS

(The North American Industry Classification System - NAICS)

CODE	NAICS TITLE	PY2010	%*
523900	Other Financial Investment Activities (including portfolio management & investment advice)	411	15%
531390	Other Activities Related to Real Estate	274	10%
551112	Offices of Other Holding Companies	229	8%
531110	Lessors of Residential Buildings & Dwellings	191	7%
522110	Commercial Banking	123	4%
525990	Other Financial Vehicles	94	3%
520000	Finance and Insurance	82	3%
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)	70	3%
541990	All Other Professional, Scientific, & Technical Services	43	2%
541511	Custom Computer Programming Services	39	1%

* The percentage of all electronic Forms 1120F filed in PY2010

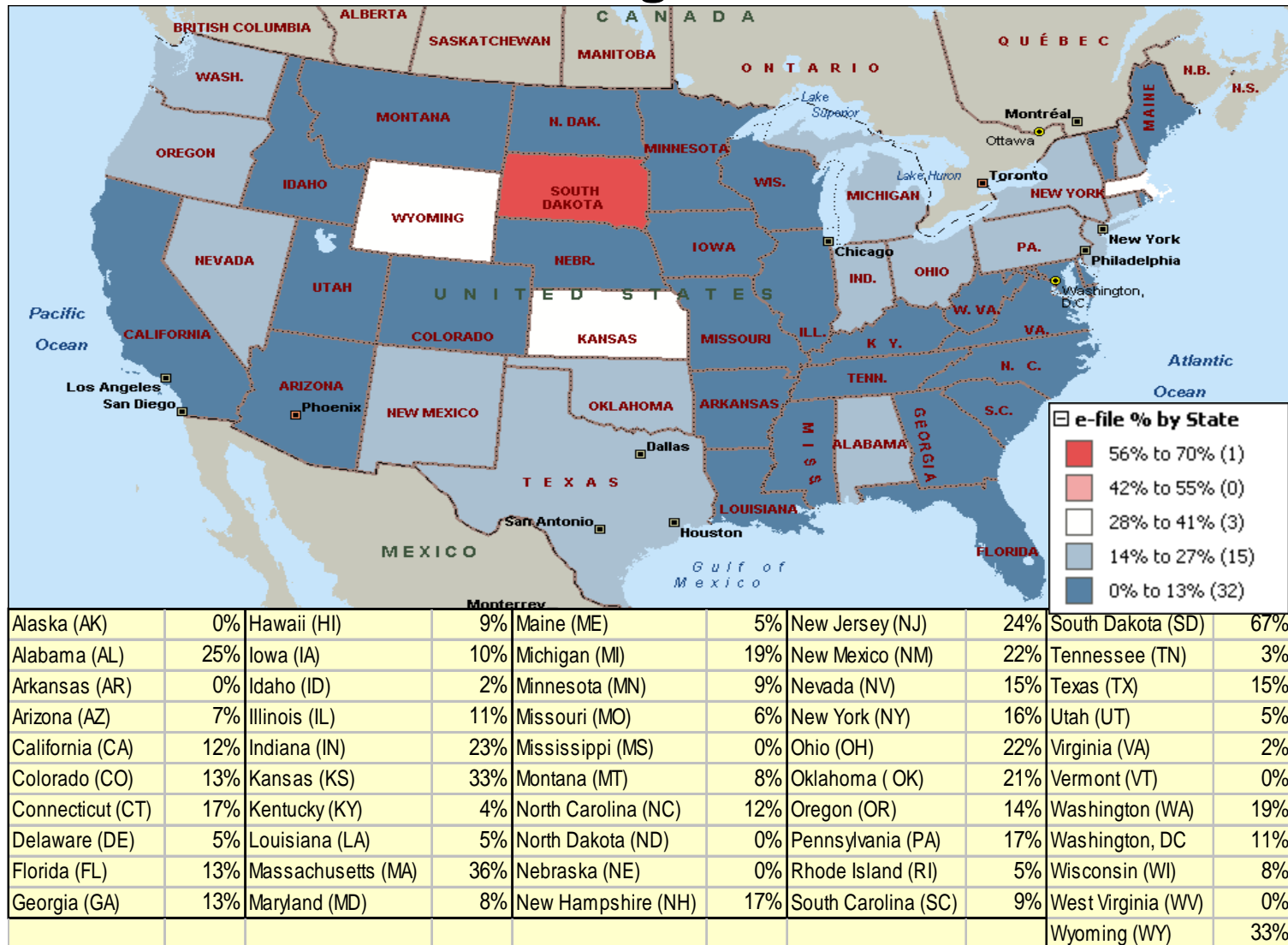
Form 1120F Returns Filed by State Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1120F e-file Penetration by State

Processing Year 2010



Source: 2010 ETA Marketing Database

Form 1120F Summary (PY2010)

- **36% of Form 1120F returns are projected to be *e-filed* in CY2017.**
- **9% of Form 1120F returns are currently *e-filed*.**
- **10% of Form 1120F taxpayers are enrolled in EFTPS.**
- **Peak volume for Form 1120F occurred in cycle 3 of PY2010.**

508 Accessible Table for Slide 22 – Forms 1120F Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	7	Illinois (IL)	300	North Carolina (NC)	83	South Carolina (SC)	46
Alabama (AL)	8	Indiana (IN)	39	North Dakota (ND)	3	South Dakota (SD)	3
Arkansas (AR)	3	Kansas (KS)	9	Nebraska (NE)	3	Tennessee (TN)	37
Arizona (AZ)	70	Kentucky (KY)	28	New Hampshire (NH)	30	Texas (TX)	552
California (CA)	1,124	Louisiana (LA)	19	New Jersey (NJ)	526	Utah (UT)	22
Colorado (CO)	117	Massachusetts (MA)	204	New Mexico (NM)	9	Virginia (VA)	895
Connecticut (CT)	192	Maryland (MD)	53	Nevada (NV)	26	Vermont (VT)	13
Delaware (DE)	22	Maine (ME)	19	New York (NY)	2,535	Washington (WA)	130
Florida (FL)	1,913	Michigan (MI)	126	Ohio (OH)	91	Washington (DC)	80
Georgia (GA)	468	Minnesota (MN)	68	Oklahoma (OK)	24	Wisconsin (WI)	64
Hawaii (HI)	211	Missouri (MO)	17	Oregon (OR)	57	West Virginia (WV)	1
Iowa (IA)	10	Mississippi (MS)	4	Pennsylvania (PA)	90	Wyoming (WY)	6
Idaho (ID)	46	Montana (MT)	13	Rhode Island (RI)	38		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 23 – Forms 1120F e-file % by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	0%	Illinois (IL)	11%	North Carolina (NC)	12%	South Carolina (SC)	9%
Alabama (AL)	25%	Indiana (IN)	23%	North Dakota (ND)	0%	South Dakota (SD)	67%
Arkansas (AR)	0%	Kansas (KS)	33%	Nebraska (NE)	0%	Tennessee (TN)	3%
Arizona (AZ)	7%	Kentucky (KY)	4%	New Hampshire (NH)	17%	Texas (TX)	15%
California (CA)	12%	Louisiana (LA)	5%	New Jersey (NJ)	24%	Utah (UT)	5%
Colorado (CO)	13%	Massachusetts (MA)	36%	New Mexico (NM)	22%	Virginia (VA)	2%
Connecticut (CT)	17%	Maryland (MD)	8%	Nevada (NV)	15%	Vermont (VT)	0%
Delaware (DE)	5%	Maine (ME)	5%	New York (NY)	16%	Washington (WA)	19%
Florida (FL)	13%	Michigan (MI)	19%	Ohio (OH)	22%	Washington (DC)	11%
Georgia (GA)	13%	Minnesota (MN)	9%	Oklahoma (OK)	21%	Wisconsin (WI)	8%
Hawaii (HI)	9%	Missouri (MO)	6%	Oregon (OR)	14%	West Virginia (WV)	0%
Iowa (IA)	10%	Mississippi (MS)	0%	Pennsylvania (PA)	17%	Wyoming (WY)	33%
Idaho (ID)	2%	Montana (MT)	8%	Rhode Island (RI)	5%		

Source: 2010 ETA Marketing Database

**Fiscal Year 2011
NATIONWIDE ANALYSIS
Form 2290**

**Electronic Tax Administration
Business ETA Marketing Database**

SB/SE Research

August 2011

Project PHL0171

This presentation provides
information about Form 2290 for
Processing Year (PY) 2010

Acknowledgements

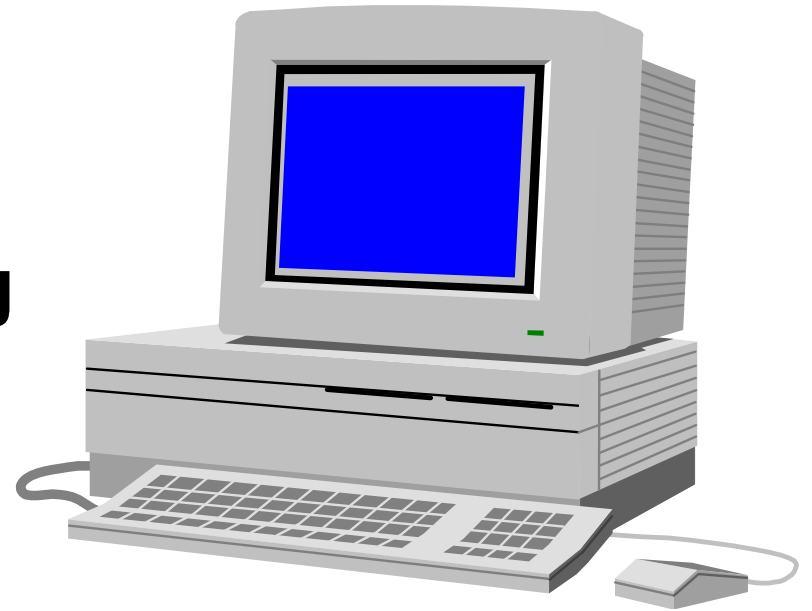
This report was prepared at the SB/SE Research site in Philadelphia under the direction of Research Chief Reuben Robinson. Kenneth Bulcroft was the primary author with valuable support provided by Laura Forest. Special thanks to Lisa Burch of ETA for posting this report to www.irs.gov so that it can be used by taxpayers and preparers to learn about e-file progress. For further information, please contact Reuben Robinson at (215) 861-1268.

Quality Assurance

The quality of these findings were established through review and analysis conducted by SB/SE Research, Philadelphia. Our quality assurance process included independent replication and peer review. To verify the accuracy of the analysis, Joseph Scardina, a second Philadelphia analyst, independently recreated the numbers shown in each slide. The findings were then reviewed by the Team Leader and the Chief. This material has not been approved by Research's Centralized Quality Review System.

Primary Data Source

- **The BMF ETA Marketing Database Form 2290 table**
- **It contains all Form 2290 returns filed for Processing Year 2010 that were processed through December 31, 2010 (cycle 201052)**
- **It includes over 37.6 million records**



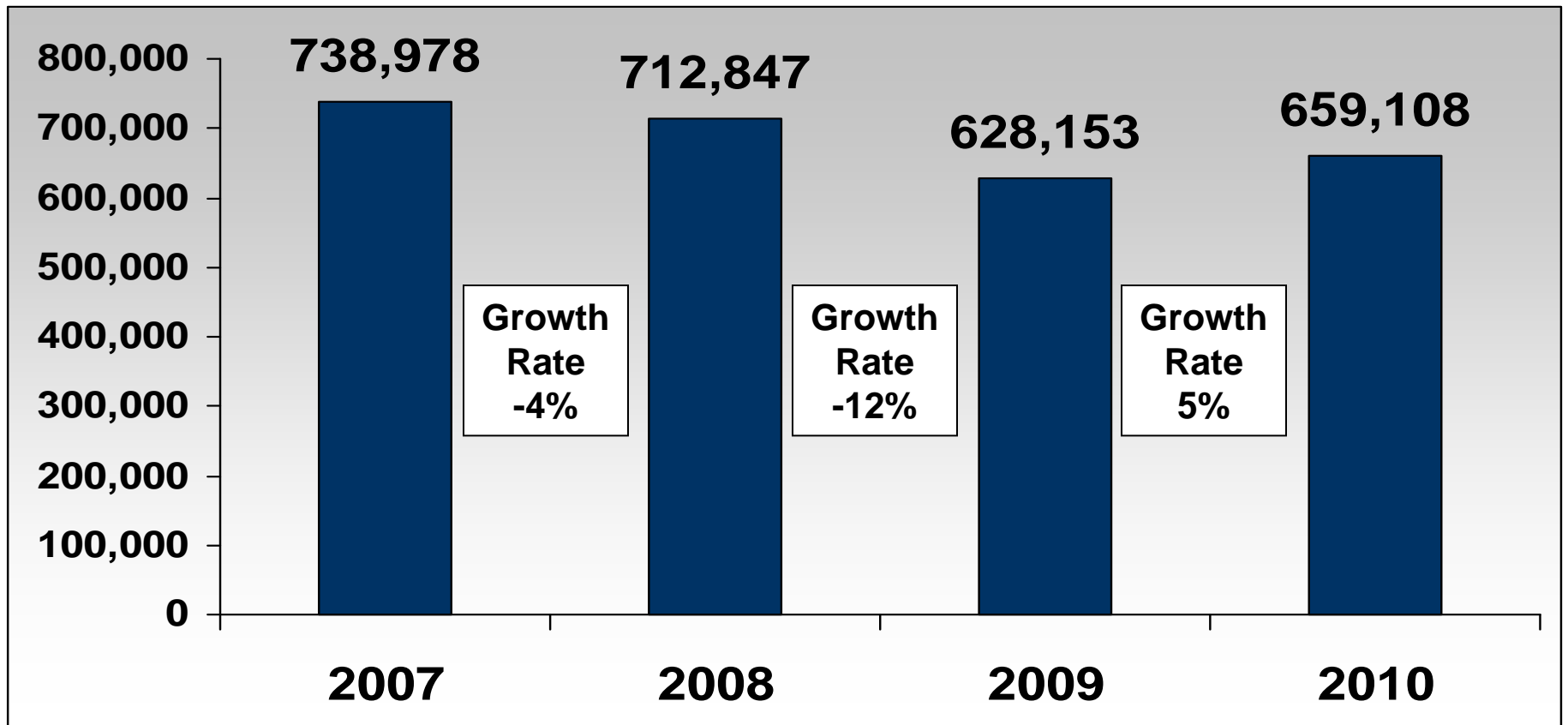
Form 2290 Filers Heavy Highway Vehicle Use Tax

Processing Year 2010



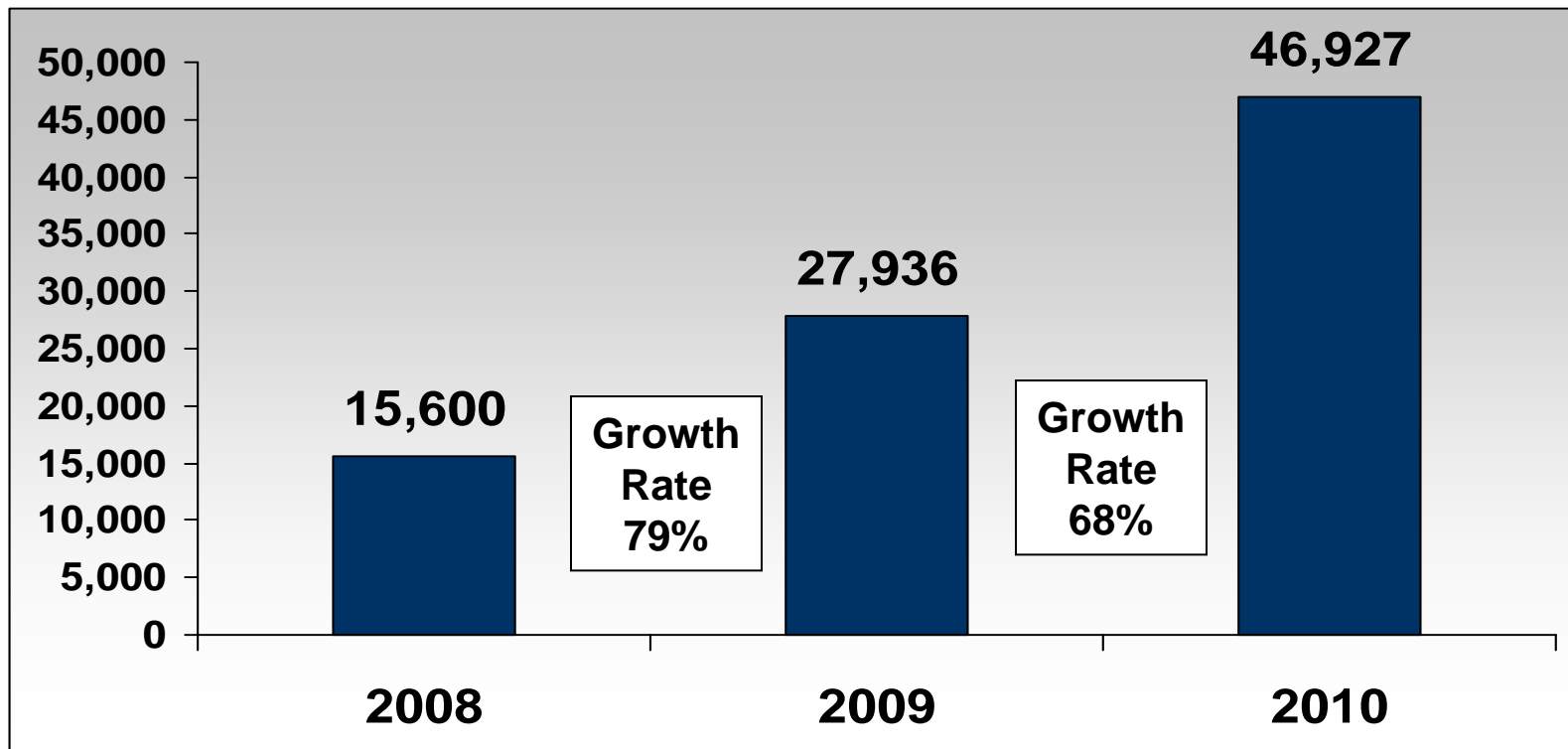
Annual Filing Volume: Form 2290

Processing Years 2007 - 2010



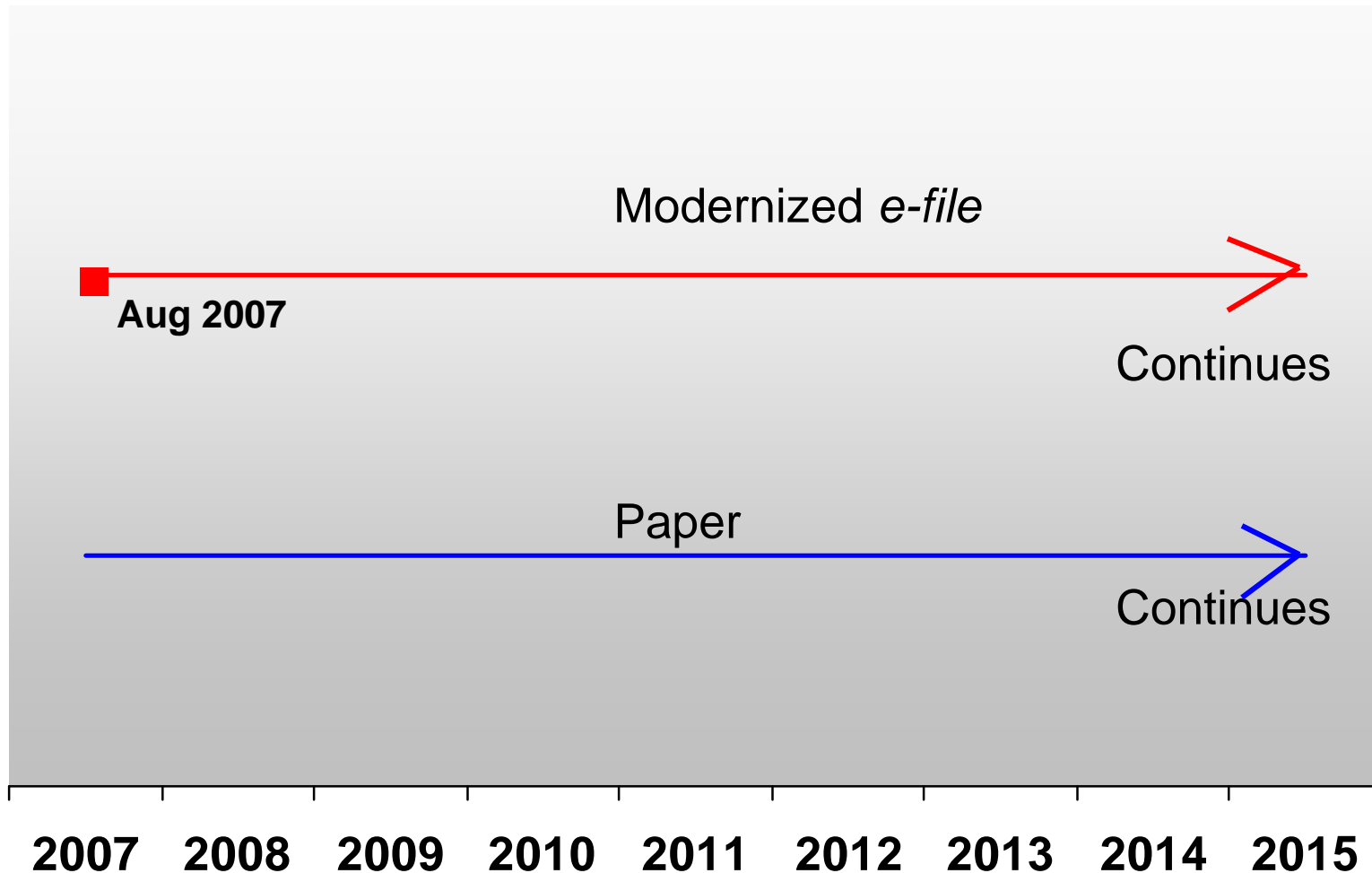
Source: 2010 ETA Marketing Database

Annual Filing Volume: Form 2290 *e-file* Processing Years 2008 - 2010

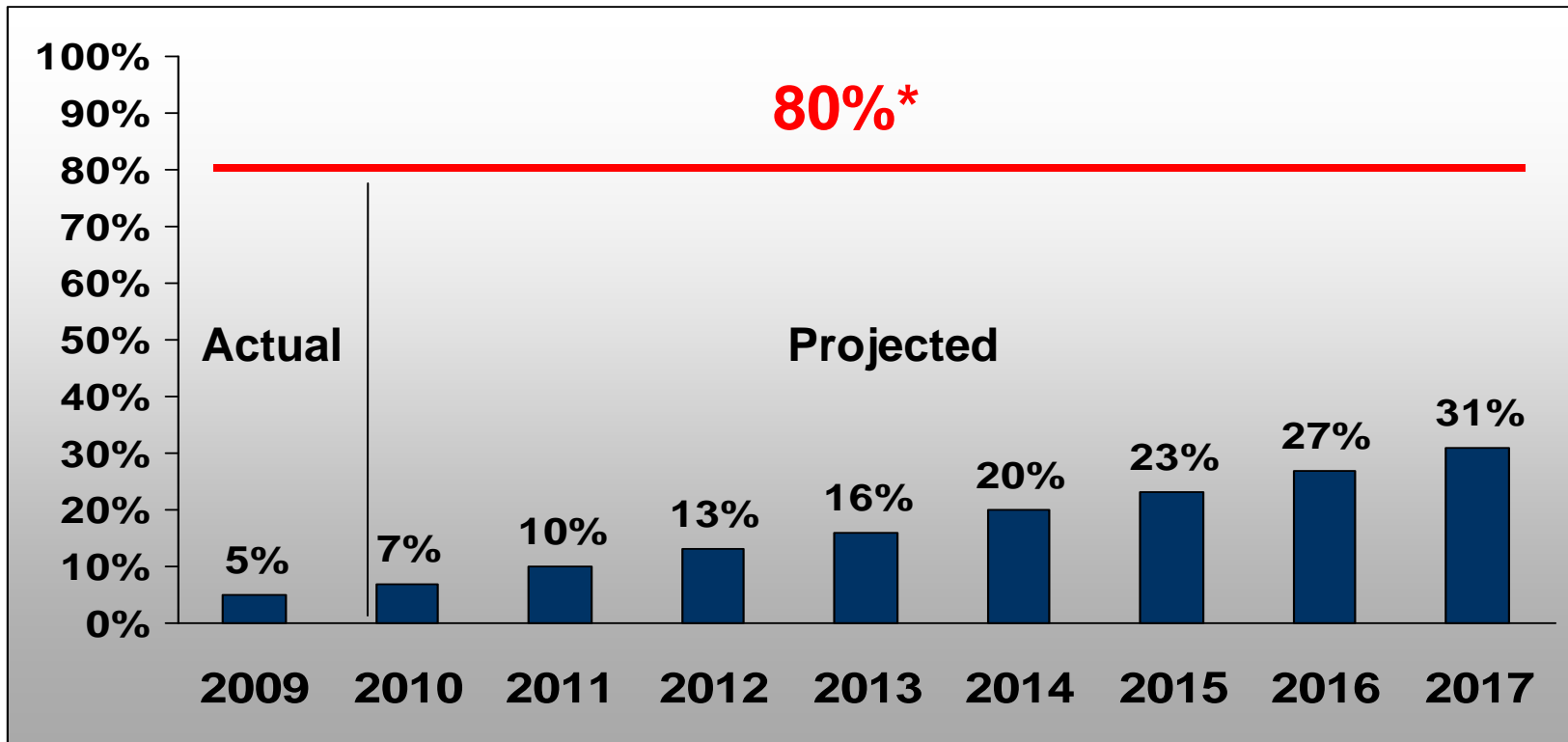


**In Processing Year
2010, 7% of all Form
2290 Returns were
filed electronically.**

Form 2290: Implementation Schedule



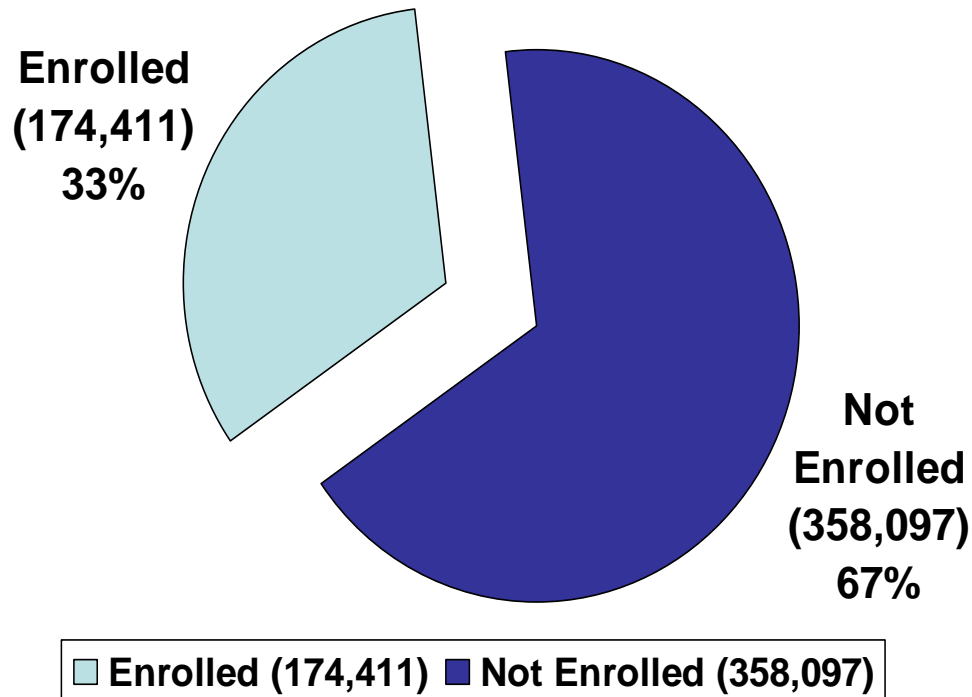
Form 2290 Projected *e-file* Penetration Rate



Source: "Calendar Year Return Projections by State: Document 6149"
Projections and Forecasting Group (RAS:R) revised 12-2010

*Congressional *e-file* goal

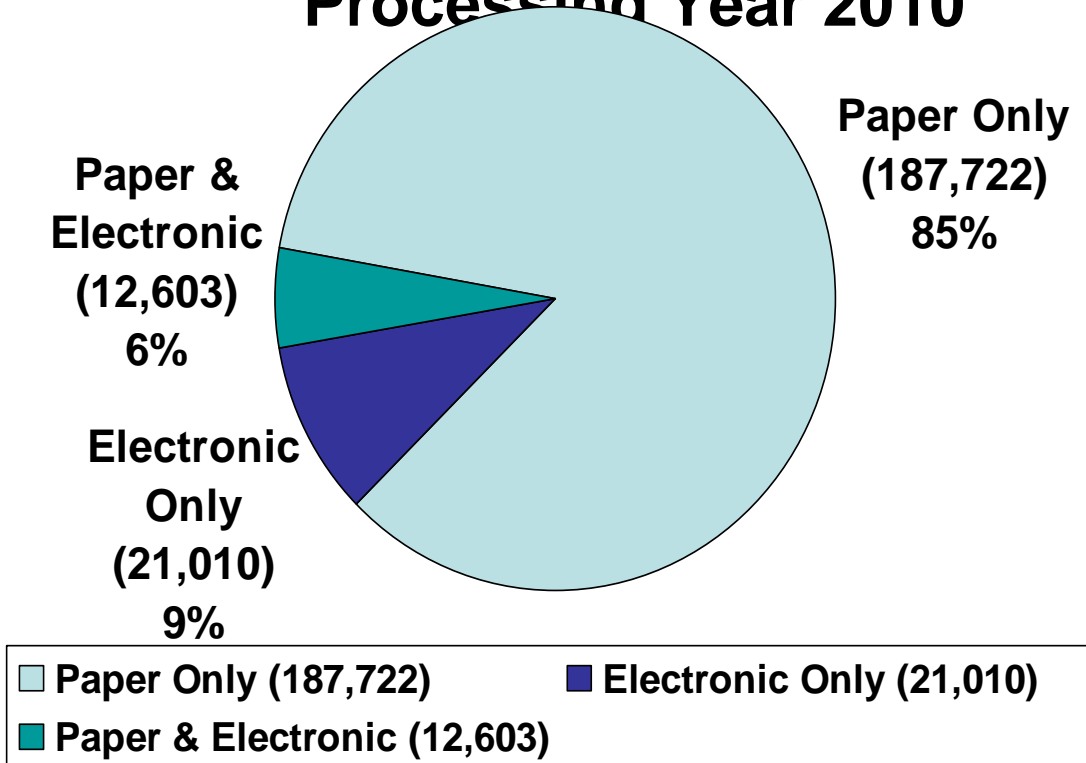
Form 2290 Taxpayers Enrolled in EFTPS (Electronic Federal Tax Payment System) Processing Year 2010



Source: 2010 ETA Marketing Database

Note that the totals above may not equal the total returns filed

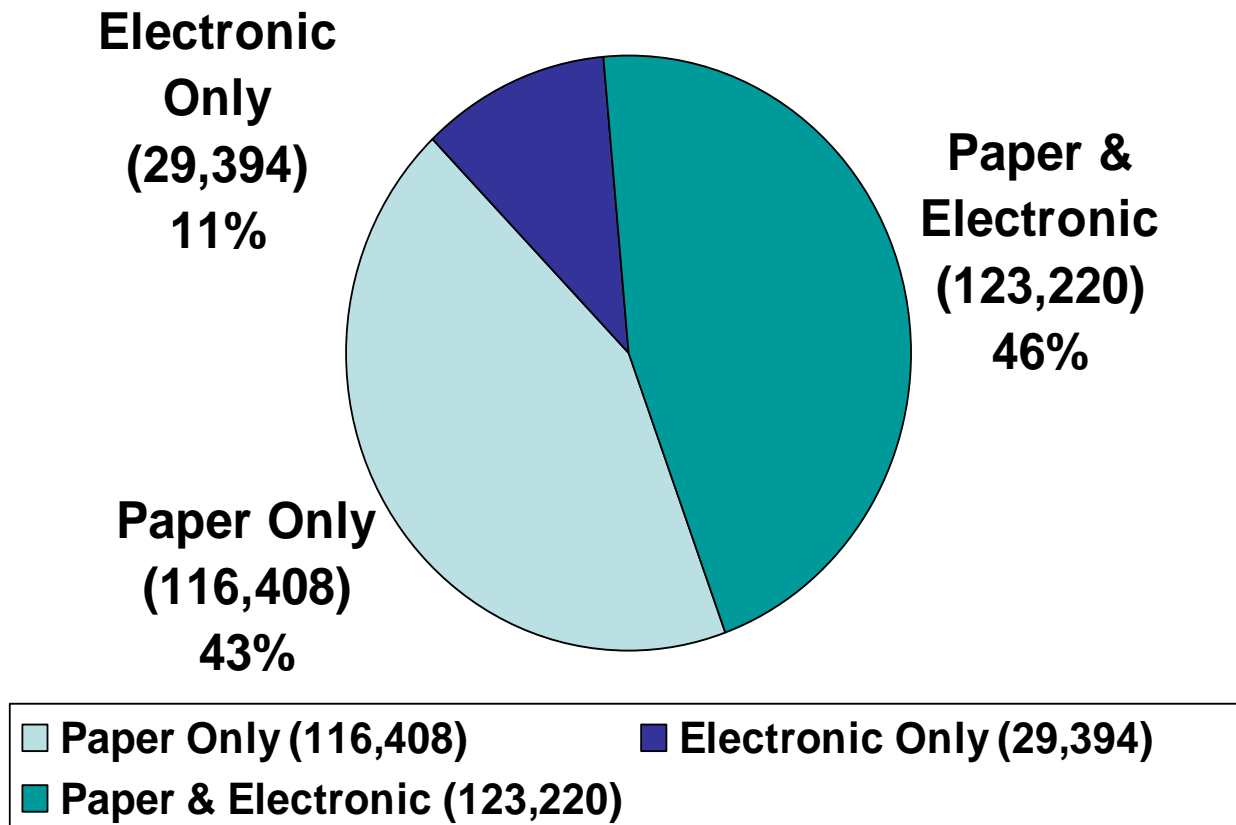
Payment Method Used by Form 2290 Taxpayers Making Form 2290 Payments* Processing Year 2010



Source: 2010 ETA Marketing Database

*Determined using only Form 2290 Payment Table records

Payment Method Used by Form 2290 Taxpayers Making Any Payments* Processing Year 2010

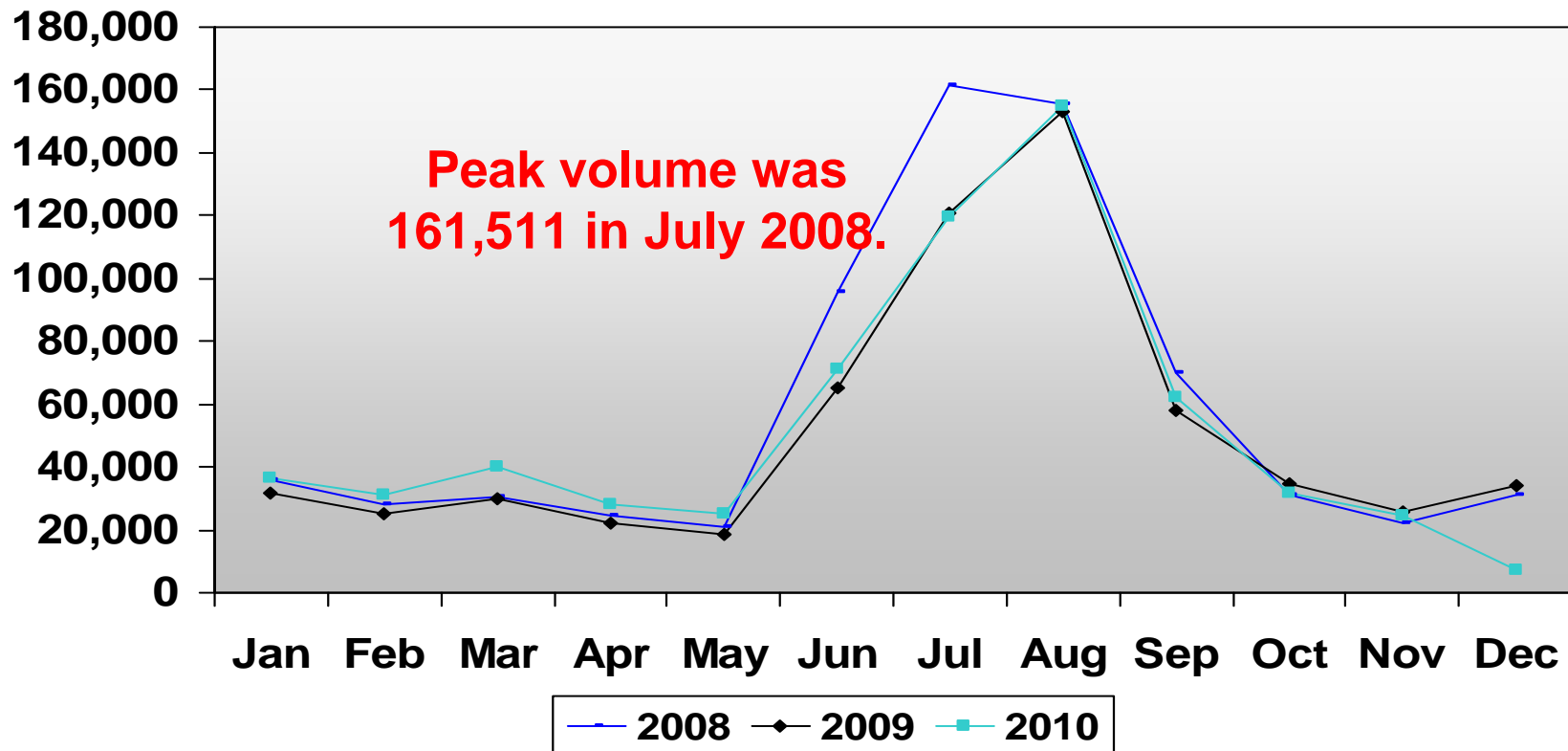


Source: 2010 ETA Marketing Database

*Determined using all Payment Table records

Form 2290: Monthly Filing Patterns

Processing Year 2010

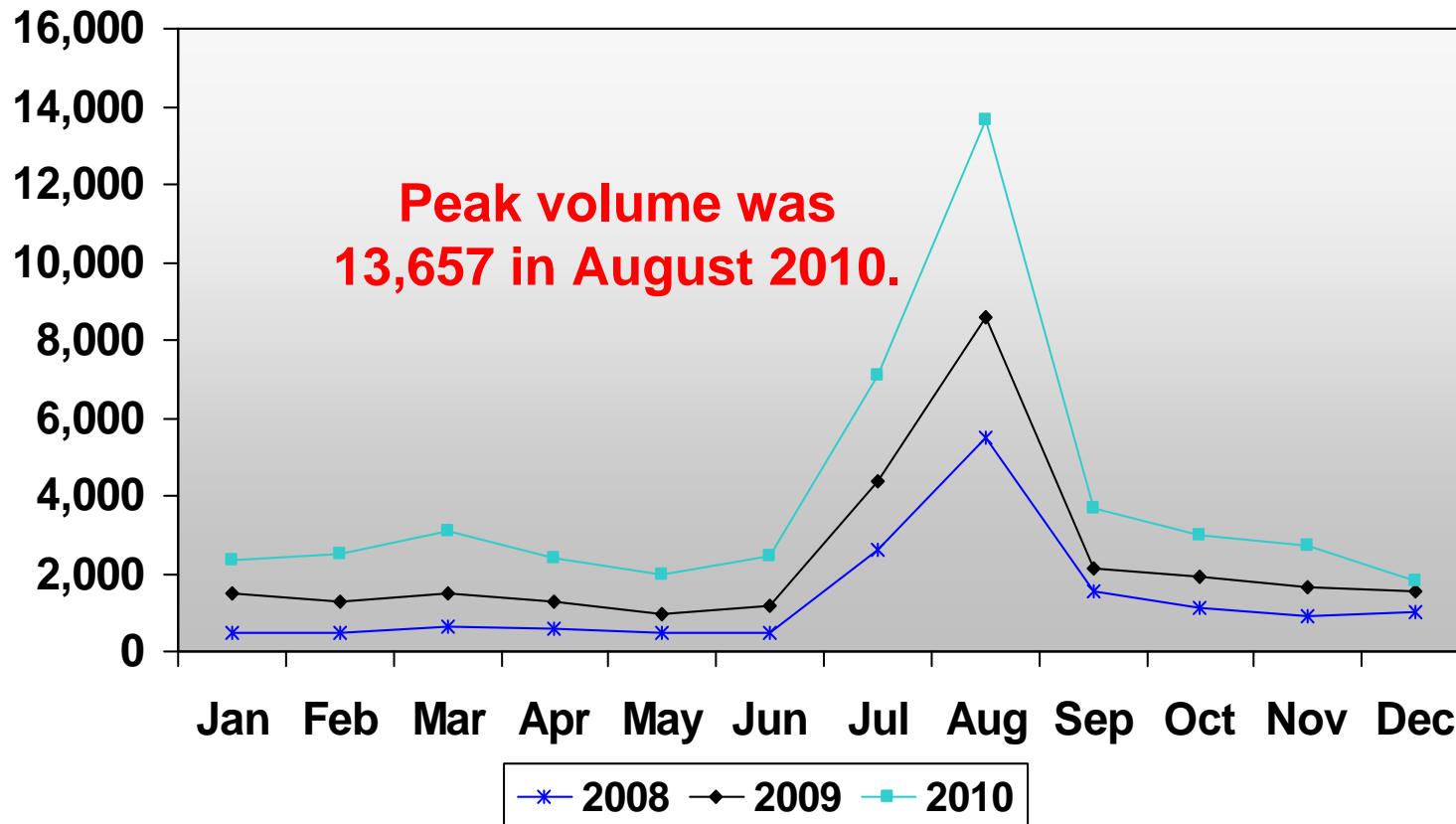


Source: 2010 ETA Marketing Database

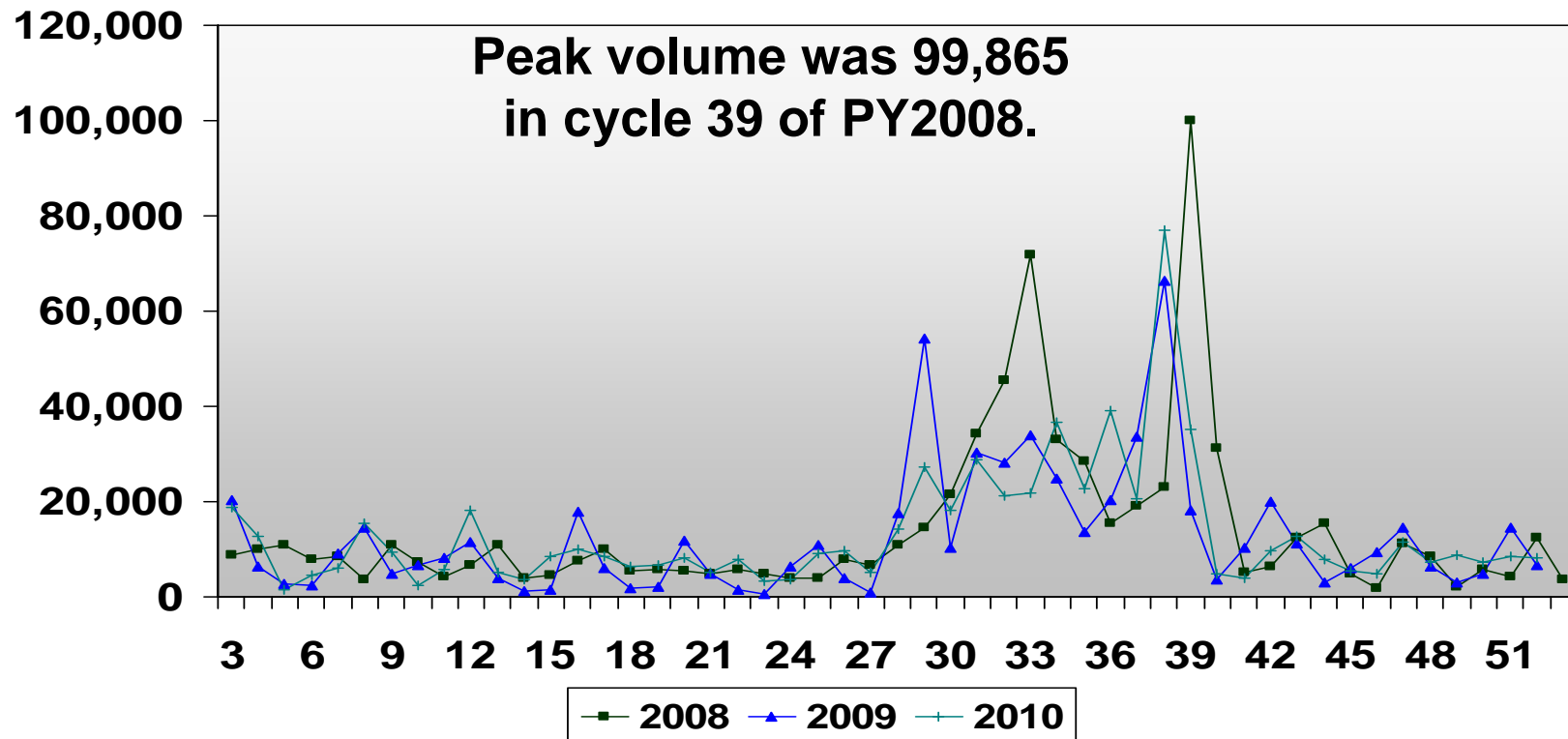
Form 2290

Monthly *e-file* Patterns

Processing Year 2010



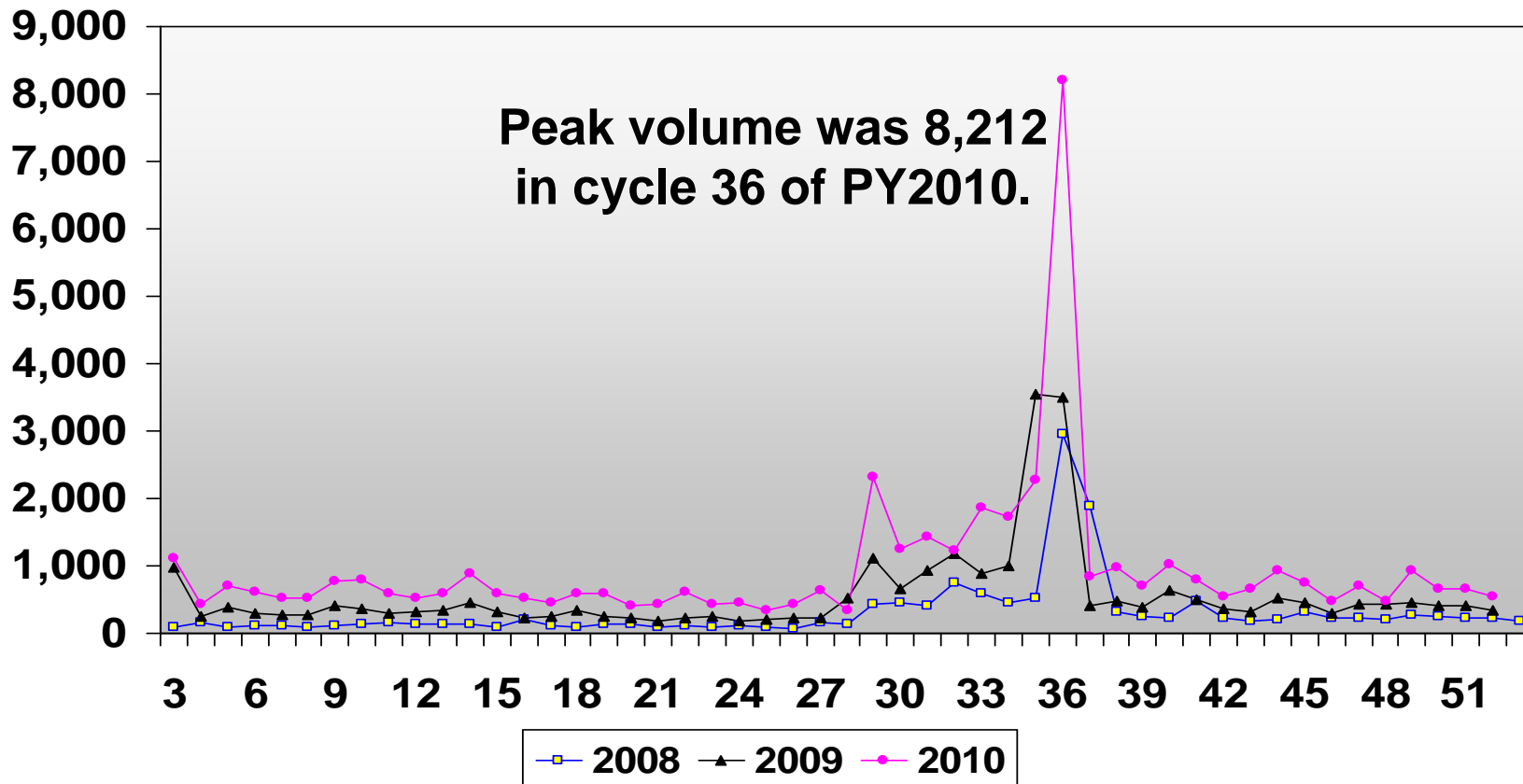
Form 2290 Filing Patterns by Cycle Posted Processing Year 2010



Source: 2010 ETA Marketing Database

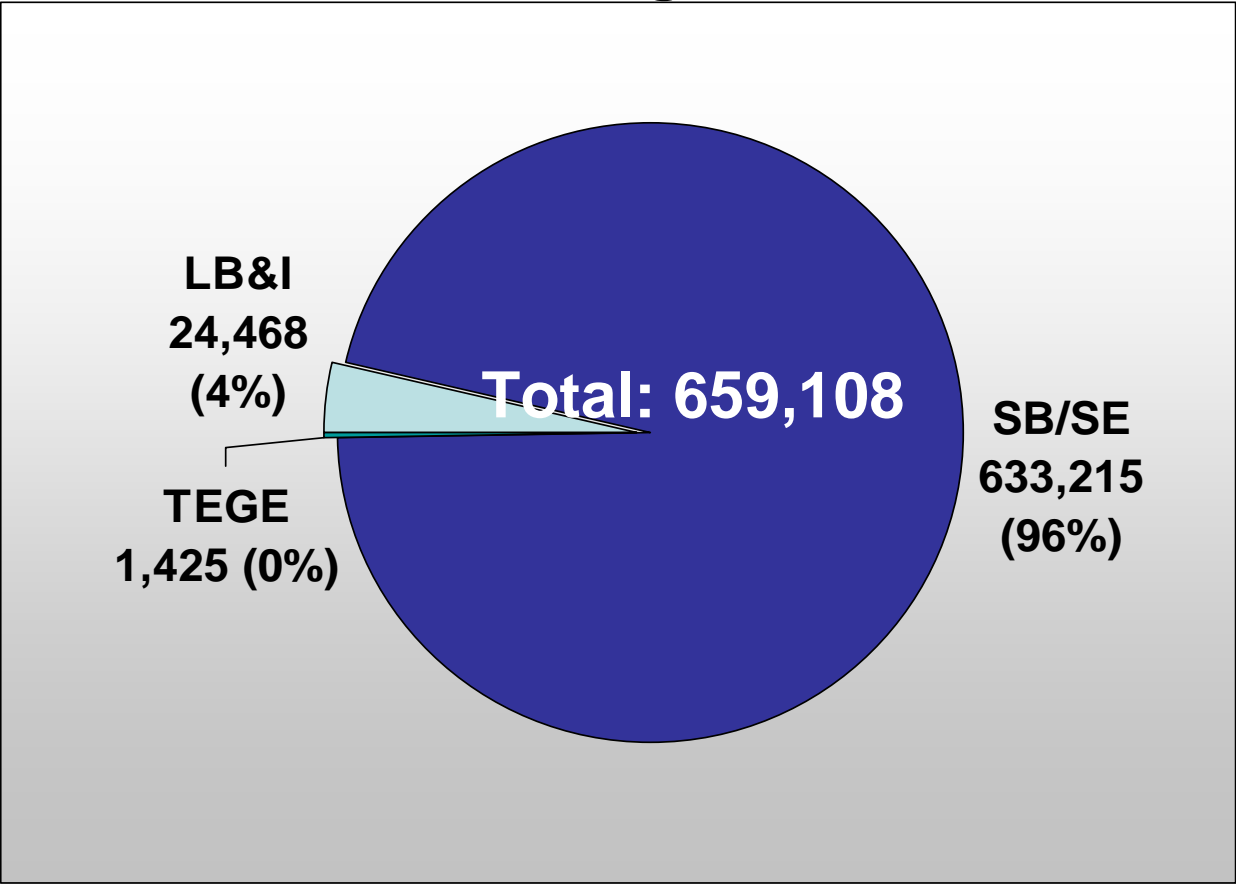
Form 2290 e-filing Patterns by Cycle Posted

Processing Year 2010



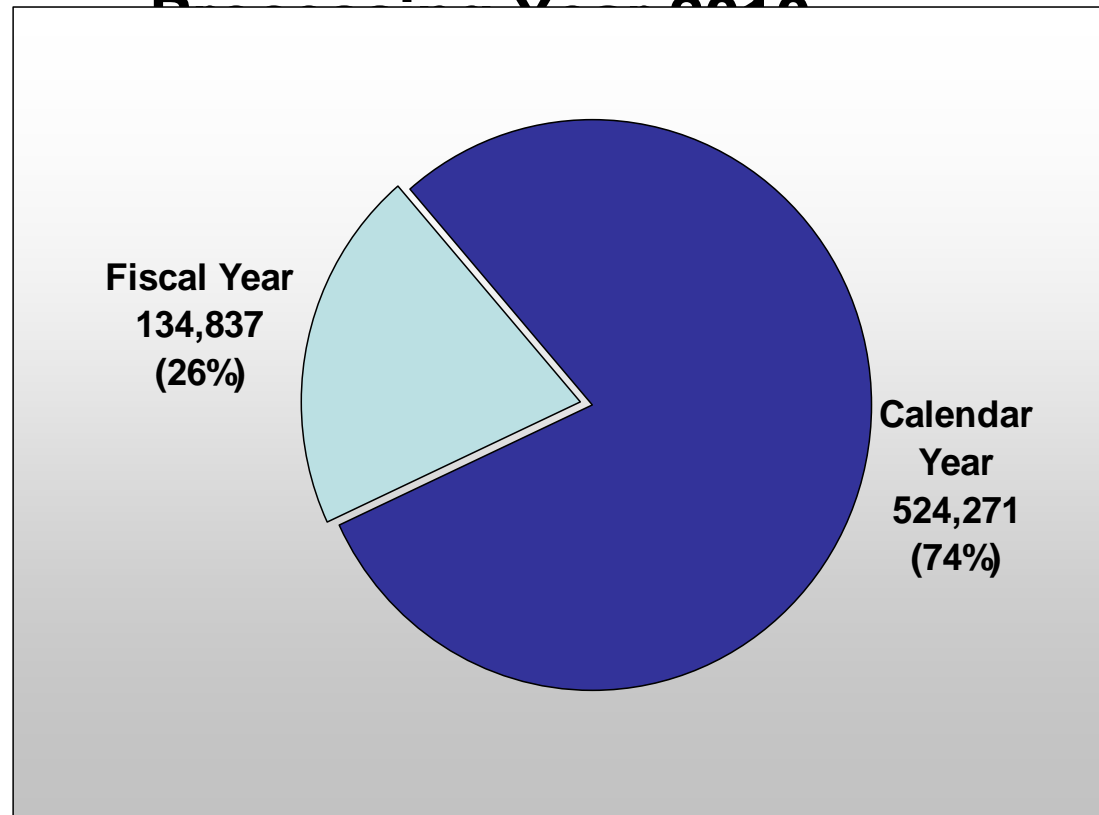
Source: 2010 ETA Marketing Database

Form 2290 Returns Filed by Business Operating Division Processing Year 2010



Source: 2010 ETA Marketing Database

Form 2290 Fiscal Year Returns vs. Calendar Year Returns



Total: 659,108

Filing for a July tax period is considered a calendar year.

Most Form 2290 Returns by NAICS

(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
484000	Truck transportation	137,122	21%
484120	General Freight Trucking, Long-distance	48,749	7%
484110	General Freight Trucking, Local	32,642	5%
480000	Transportation	24,304	4%
238900	Other Specialty Trade Contractors	17,825	3%
484200	Specialized Freight Trucking	15,077	2%
110000	Agriculture, Forestry, Fishing and Hunting	12,486	2%
111100	Oilseed & Grain Farming	11,224	2%
237990	Other Heavy and Civil Engineering Construction	6,798	1%
113310	Logging	5,179	1%

* The percentage of Form 2290 returns filed in PY 2010.

Most e-filed Forms 2290 by NAICS

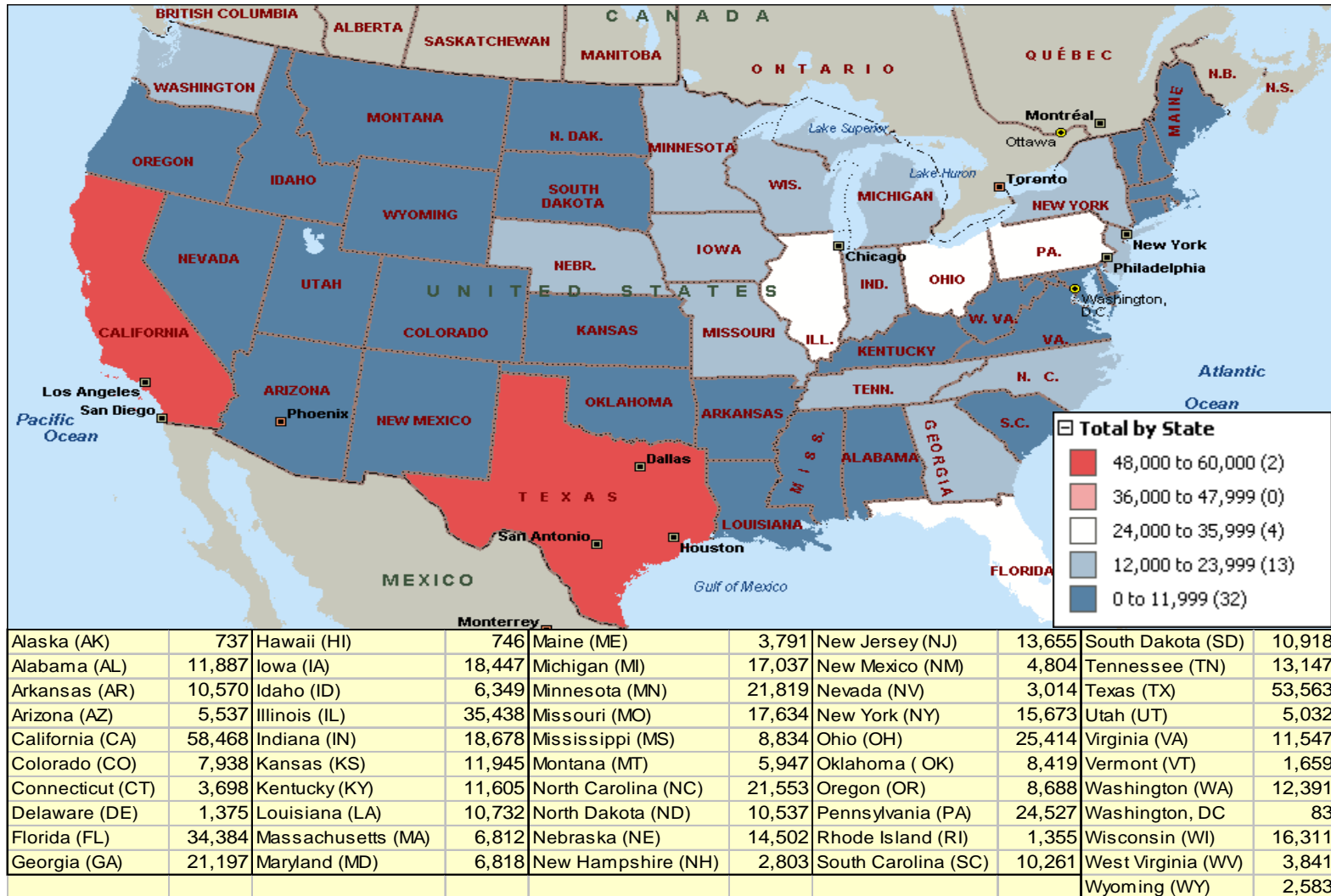
(The North American Industry Classification System - NAICS)

CODE	TITLE	PY2010	%*
484000	Truck transportation	8,206	17%
484120	General Freight Trucking, Long-distance	6,247	13%
484110	General Freight Trucking, Local	2,932	6%
484200	Specialized Freight Trucking	2,012	4%
238900	Other Specialty Trade Contractors	1,337	3%
480000	Transportation	1,320	3%
562000	Waste Management & Remediation Services	641	1%
237990	Other Heavy and Civil Engineering Construction	621	1%
532400	Commercial & Industrial Machinery & Equipment Rental & Leasing	608	1%
110000	Agriculture, Forestry, Fishing and Hunting	568	1%

* The percentage of all electronic Form 2290 returns filed in PY 2010.

Form 2290 Returns Filed by State

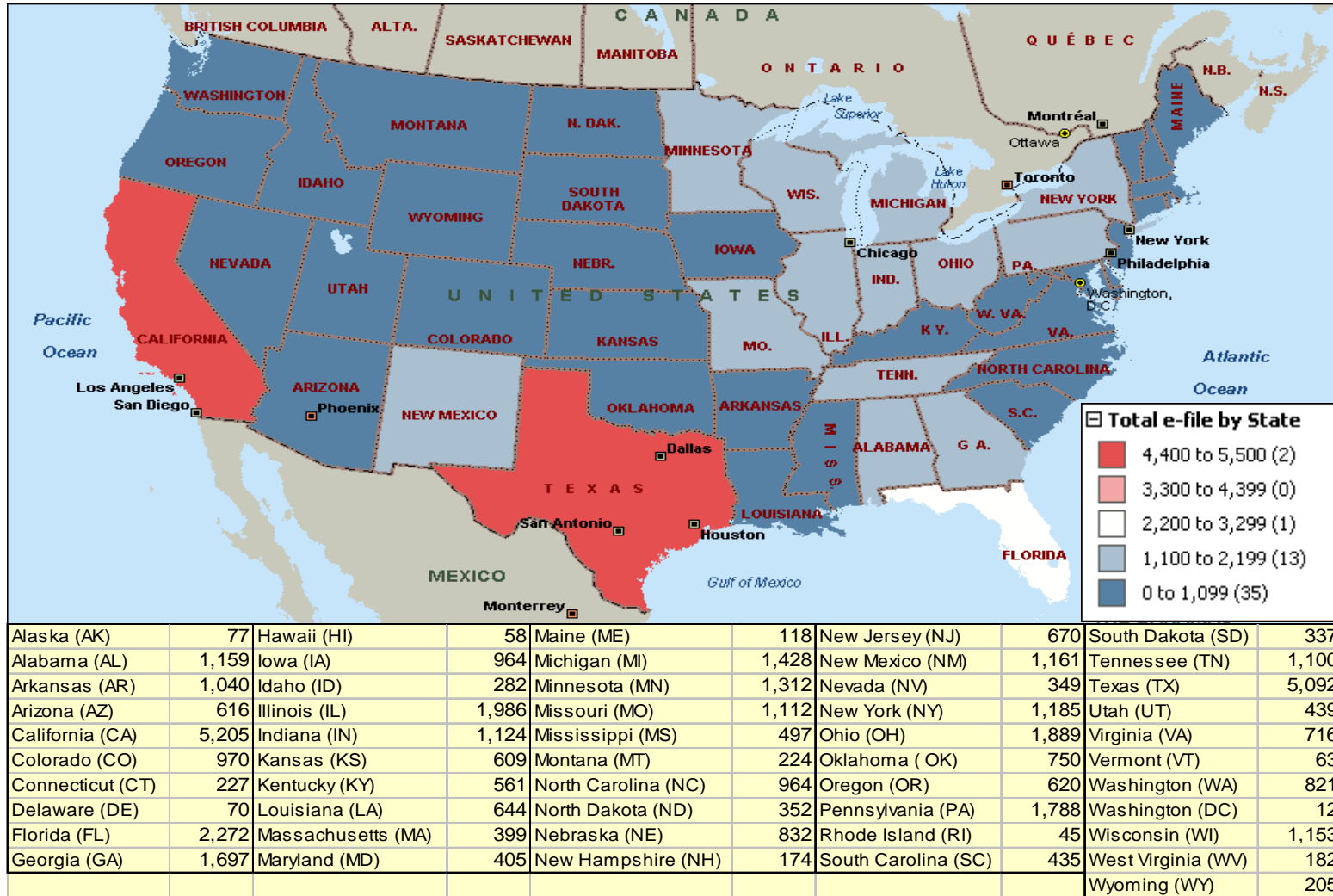
Processing Year 2010



Source: 2010 ETA Marketing Database

Form 2290 e-file Counts by State

Processing Year 2010



Source: 2010 ETA Marketing Database

Form 2290 Summary (PY2010)

- **Form 2290 *e-file* penetration rate is 5% projected to be 31% by CY2017.**
- **33% of all Form 2290 taxpayers are enrolled in EFTPS but only 15% are making any electronic payments.**

508 Accessible Table for Slide 24 – Forms 2290 Filed by State PY2010

State	Volume	State	Volume	State	Volume	State	Volume
Alaska (AK)	737	Illinois (IL)	35,438	North Carolina (NC)	21,553	South Carolina (SC)	10,261
Alabama (AL)	11,887	Indiana (IN)	18,678	North Dakota (ND)	10,537	South Dakota (SD)	10,918
Arkansas (AR)	10,570	Kansas (KS)	11,945	Nebraska (NE)	14,502	Tennessee (TN)	13,147
Arizona (AZ)	5,537	Kentucky (KY)	11,605	New Hampshire (NH)	2,803	Texas (TX)	53,563
California (CA)	58,468	Louisiana (LA)	10,732	New Jersey (NJ)	13,655	Utah (UT)	5,032
Colorado (CO)	7,938	Massachusetts (MA)	6,812	New Mexico (NM)	4,804	Virginia (VA)	11,547
Connecticut (CT)	3,698	Maryland (MD)	6,818	Nevada (NV)	3,014	Vermont (VT)	1,659
Delaware (DE)	1,375	Maine (ME)	3,791	New York (NY)	15,673	Washington (WA)	12,391
Florida (FL)	34,384	Michigan (MI)	17,037	Ohio (OH)	25,414	Washington (DC)	83
Georgia (GA)	21,197	Minnesota (MN)	21,819	Oklahoma (OK)	8,419	Wisconsin (WI)	16,311
Hawaii (HI)	746	Missouri (MO)	17,634	Oregon (OR)	8,688	West Virginia (WV)	3,841
Iowa (IA)	18,447	Mississippi (MS)	8,834	Pennsylvania (PA)	24,527	Wyoming (WY)	2,583
Idaho (ID)	6,349	Montana (MT)	5,947	Rhode Island (RI)	1,355		

Source: 2010 ETA Marketing Database

508 Accessible Table for Slide 25 – Forms 2290 e-filed by State PY2010

State	Percent	State	Percent	State	Percent	State	Percent
Alaska (AK)	77	Illinois (IL)	1,986	North Carolina (NC)	964	South Carolina (SC)	435
Alabama (AL)	1,159	Indiana (IN)	1,124	North Dakota (ND)	352	South Dakota (SD)	337
Arkansas (AR)	1,040	Kansas (KS)	609	Nebraska (NE)	832	Tennessee (TN)	1,100
Arizona (AZ)	616	Kentucky (KY)	561	New Hampshire (NH)	174	Texas (TX)	5,092
California (CA)	5,205	Louisiana (LA)	644	New Jersey (NJ)	670	Utah (UT)	439
Colorado (CO)	970	Massachusetts (MA)	399	New Mexico (NM)	1,161	Virginia (VA)	716
Connecticut (CT)	227	Maryland (MD)	405	Nevada (NV)	349	Vermont (VT)	63
Delaware (DE)	70	Maine (ME)	118	New York (NY)	1,185	Washington (WA)	821
Florida (FL)	2,272	Michigan (MI)	1,428	Ohio (OH)	1,889	Washington (DC)	12
Georgia (GA)	1,697	Minnesota (MN)	1,312	Oklahoma (OK)	750	Wisconsin (WI)	1,153
Hawaii (HI)	58	Missouri (MO)	1,112	Oregon (OR)	620	West Virginia (WV)	182
Iowa (IA)	964	Mississippi (MS)	497	Pennsylvania (PA)	1,788	Wyoming (WY)	205
Idaho (ID)	282	Montana (MT)	224	Rhode Island (RI)	45		

Source: 2010 ETA Marketing Database