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Report to the Chairman, Subcommittee on Oversight, Committee on Ways and Means, House of Representatives

March 1993

# TAX ADMINISTRATION

# Delayed Tax Deposits Continue to Cause Lost Interest for the Government

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March 22, 1993

The Honorable J.J. Pickle
Chairman, Subcommittee on Oversight
Committee on Ways and Means
House of Representatives

Dear Mr. Chairman:

This report responds to your request for updated information on our 1990 report about the timeliness of Internal Revenue Service (IRS) deposits of tax payments.[1] It discusses the lost interest associated with delays in depositing individual income tax payments and the effort IRS has made to reduce these delays over the last 2 years.

## Results in Brief

IRS data showed that the Cincinnati and Philadelphia service centers—2 of IRS' 10 service centers—averaged 6.2 days to deposit the $5.2 billion in tax payments they received with individual tax returns between April 15 and May 4, 1992. During a comparable period in 1990, these two centers took about 7 days to deposit $6 billion. We estimated that the government could have earned $2.4 million in additional interest income if the $5.2 billion in tax payments had been deposited within 24 hours of receipt—the time service centers normally take to make deposits at other times of the year. The lost interest is considerably less than the $8.8 million we reported for the same two centers in 1990, but most of the reduction is due to lower interest rates rather than faster processing of tax payments.

We recommended in 1990 that IRS assess various options for reducing the time it takes to deposit large tax payments. IRS' National Office, in our opinion, did not provide the strong leadership necessary to effectively respond to that recommendation. For example, the National Office waited until April 1992 before asking service centers to look for ways to identify large tax payments. Even then, the National Office did not ask the centers to compile data that could be used to demonstrate successful initiatives.

The Department of the Treasury has a cash management strategy that, if successfully implemented, could speed up deposits. Under this strategy, tax payments would be sent directly to banks instead of IRS' service centers. IRS will start testing the plan during the 1993 filing season, but it does not expect to fully implement that strategy before 1996. Successful

[1]Tax Administration: IRS Needs to Assess Options to Make Faster Deposits of Large Tax Payments (GAO/GGD-90-120, Aug. 31, 1990).

implementation will hinge on such things as gaining taxpayer acceptance for new payment procedures and negotiating cost beneficial deposit agreements with financial institutions.

In the interim, IRS needs to more aggressively seek ways to deposit tax payments faster. First, it needs to determine whether initiatives undertaken by individual service centers merit implementation by other centers. The Austin Service Center, for example, has expedited the processing of certain types of incoming mail it believes contain large tax payments. Second, IRS needs to look for additional opportunities to speed up deposits. One such opportunity that we identified involved requests for extensions to file (Form 4868). IRS data from the Cincinnati and Philadelphia service centers showed that taxpayers who request extensions send payments along with those requests that are, on average, about four times greater than the payments that accompany regularly filed returns.[2] We estimated that the government could have realized about $1.2 million in additional interest income if the two centers had deposited these payments within 24 hours.

## Background

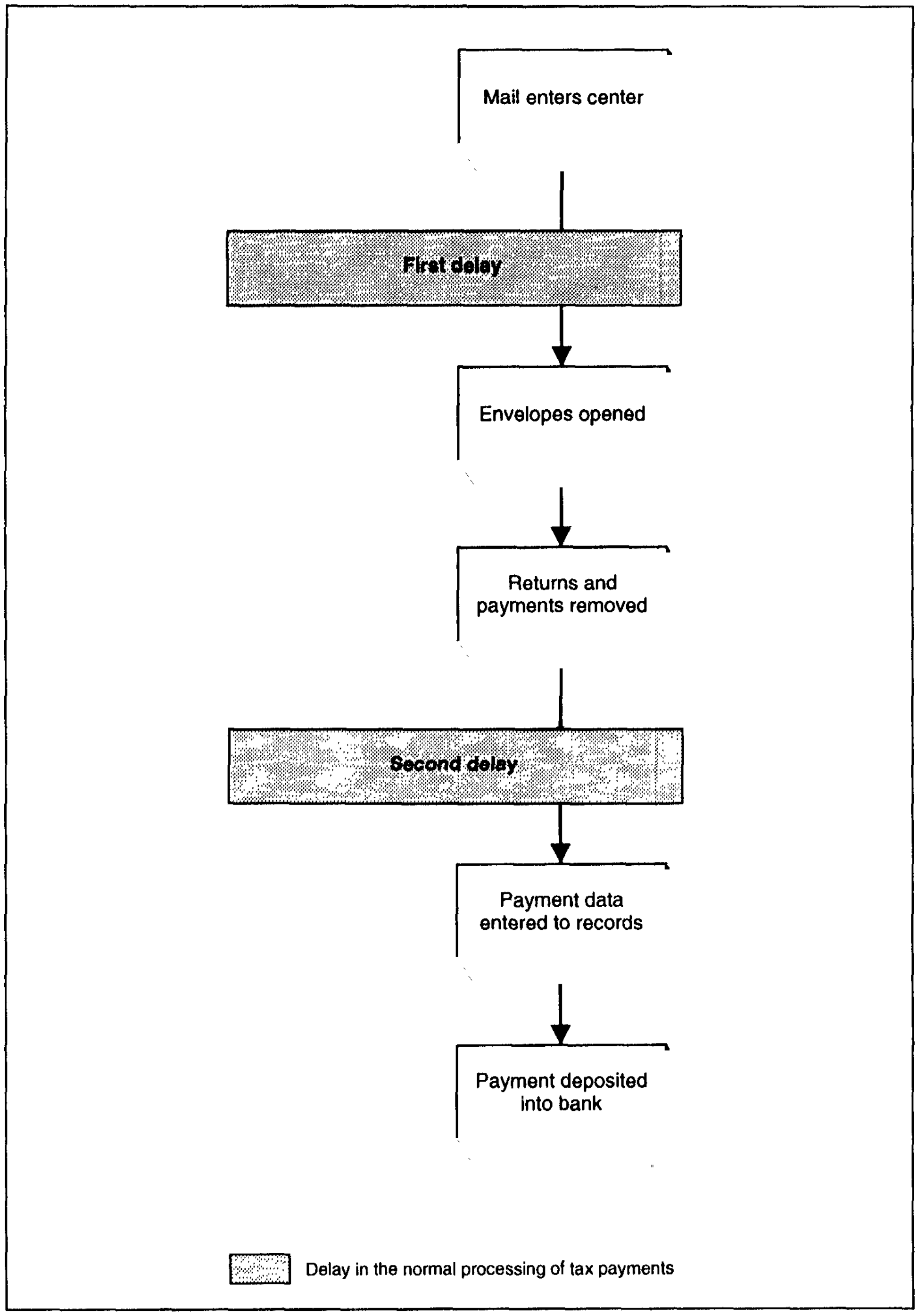
IRS receives tax returns and tax payments at each of its 10 service centers. These returns are generally processed on a first-in, first-out basis. When mail enters the center, envelopes are opened, and the contents are sorted according to such things as the type of return involved and whether the return involves a refund or a payment. IRS employees then extract the tax payment from the return's envelope and enter data, such as the amount of the payment, into IRS' computer records. After verifying the input, IRS deposits the payments into a bank. Normally, IRS requires service centers to deposit payments within 24 hours of receipt. However, centers are allowed to take longer at the end of the filing season (hereafter referred to as the peak period) when IRS receives the heaviest volume of returns with payments. In 1992, for example, IRS gave service centers until May 4, 1992, to deposit all tax payments received from April 15.

Figure 1 shows how tax payments are processed at a service center. IRS officials stated that delays occur during the peak period because service centers do not have the staff and equipment needed to process the large number of returns received during that period. As shown in figure 1, those delays generally occur at two points in the process. The first delay is when IRS waits to open mail. According to IRS officials, mail bags containing tax

[2]Taxpayers who apply for extensions to file must still pay their taxes by April 15 in order to avoid penalty charges.

returns may sit for several days before IRS staff can open the envelopes and extract the returns and payments. The second delay occurs when IRS staff enter payment data into IRS' computer system because tax payments are then processed on a first-in, first-out basis.

**Figure 1: Service Center Process for Depositing Tax Payments**




Source: Prepared by GAO on the basis of information obtained from IRS.

## Objectives, Scope, and Methodology

Our objectives were to (1) identify deposit times and lost interest earnings associated with individual income tax payments sent to two IRS service centers during the 1992 peak period and compare the results to an equivalent period in 1990 and (2) assess IRS' progress in expediting its deposits since 1990.

To measure deposit times and lost interest earnings, we analyzed data from IRS' computer files on tax payments received from April 15 to May 4, 1992, and deposited by May 6, 1992, for the Cincinnati and Philadelphia service centers—the same centers we analyzed in 1990. We did not confirm the accuracy of the data in the files, but we tested for reasonableness by comparing totals in the files with other IRS reports of deposit activity. Our analysis focused on payments associated with individual income tax returns filed on Forms 1040, 1040A, and 1040EZ and with taxpayers' requests for filing extensions filed on Form 4868.

For each tax payment sent to the Cincinnati and Philadelphia service centers, we determined how long it took IRS to deposit the payment and calculated the potential interest earnings if IRS had deposited the payment in 24 hours. To calculate potential interest earnings, we used the daily Treasury Tax and Loan Account rate—the rate at which the Department of the Treasury invests excess funds. That rate averaged 3.4 percent during the peak period.

To identify steps IRS has taken to expedite its deposits since 1990, we

- analyzed IRS' management information reports to determine the number of individual income tax returns received with tax payments during the filing season;
- reviewed IRS' procedures for identifying, processing, and depositing tax payments;
- analyzed IRS data on deposit activity, including data on the Austin Service Center to determine the impact of its initiative to deposit large tax payments faster; and
- interviewed IRS officials who were involved in the deposit process from the National Office and the Austin, Cincinnati, and Philadelphia service centers.

We did our work from April through October 1992 in accordance with generally accepted government auditing standards. IRS officials provided comments on a draft of this report. Those comments are discussed on pages 13 and 14.

## Tax Deposits Continue to Take Longer Than 24 Hours

Our analyses showed that the Cincinnati and Philadelphia service centers deposited about 2.2 million payments totaling $5.2 billion that they received with individual income tax returns during the peak period in 1992. The average payment was about $2,300 and took 6.2 days to deposit. We estimated that if the two centers had deposited those payments in 1 day instead of 6.2, the government would have earned $2.4 million in additional interest income. Appendix I contains more detailed deposit data for the two centers.

Table 1 shows that the amount of lost interest income for the two centers was much less in 1992 than in 1990. The reduction is due primarily to a drop in interest rates from 8 percent during the peak period in 1990 to 3.4 percent during the peak period in 1992. Over the same 2 years, the average deposit time declined by less than 1 day. If the interest rate had remained at 8 percent, the amount of lost interest in 1992 would have been about $5.7 million instead of $2.4 million.

**Table 1: Analysis of Deposit Activity at IRS' Cincinnati and Philadelphia Service Centers in 1990 and 1992**
(1040, 1040A, and 1040EZ Returns)

| Year | Number of deposits (millions) | Amount of deposits (billions) | Average deposit time (days) | Estimated lost interest (millions) |
|---|---|---|---|---|
| 1990 | 2.5 | $6.0 | 7.0 | $8.8 |
| 1992 | 2.2 | 5.2 | 6.2 | 2.4 |

Source: GAO analysis of data in Cincinnati and Philadelphia service center computer files from April 15 to May 7, 1990, and April 15 to May 6, 1992.

Unless IRS can further reduce the time it takes to deposit tax payments, the amount of lost interest will increase if interest rates rise. The amount of lost interest can also be expected to increase if the volume of payments received during future peak periods increases. In that regard, IRS' Research Division has estimated that about 7 million more taxpayers will owe IRS tax payments in 1993 because the tax withholding tables were changed in 1992. According to IRS officials, many of these additional returns with payments can be expected to arrive during the peak period. If so, processing delays could be exacerbated, and average deposit times could increase.

## IRS Did Not Take Aggressive Action to Change Its Payment Processing Procedures in Response to Our 1990 Report

In our 1990 report, we showed that the government loses substantial interest income because of service center delays in depositing tax payments during the peak period. Data we compiled for the Cincinnati and Philadelphia service centers also showed that, for those two centers, tax payments of $5,000 or more accounted for about 70 percent of the lost interest earnings in 1990 but less than 8 percent of the deposit volume. As a result, we recommended that IRS assess various options to reduce the time it takes to deposit large tax payments and increase the government's interest income.

In our 1990 report, we suggested several approaches that IRS could include in its assessment. Each of the approaches involved a different way of getting taxpayers who were making large tax payments to send the payments to a separate mailing address and thus bypass the bottleneck that occurs at the front end of the process when mail is opened. Our thinking was that the service centers, by segregating large payments from other payments at the beginning of the process, could give the large payments priority handling during the rest of the process and expedite their deposit. IRS did not pursue these approaches because it (1) was not confident that taxpayers or their representatives would comply with instructions to send large payments to a different address and (2) has historically had problems getting practitioners to use preaddressed envelopes. IRS also did not identify and pursue other new options that it considered more viable.

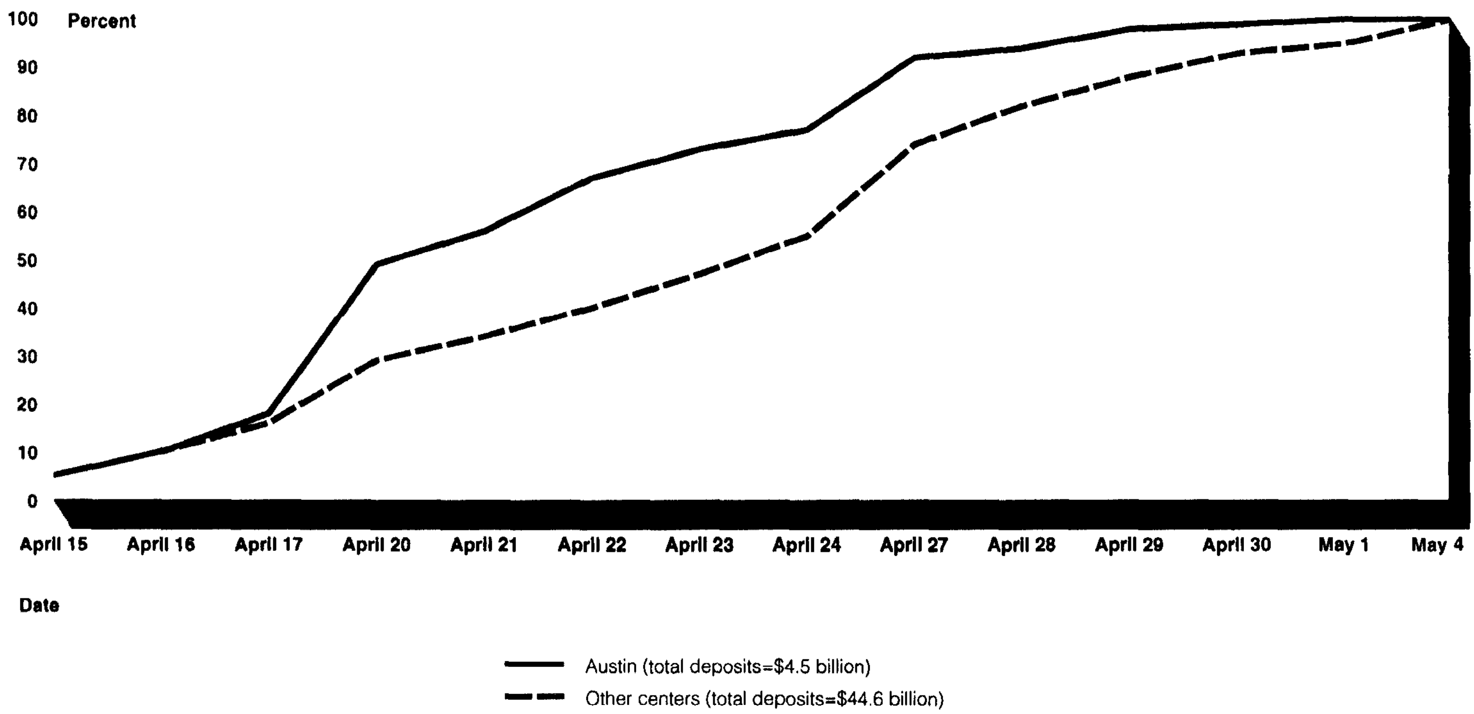
In December 1990, in response to our earlier report, IRS said that it was testing a system designed in 1984 to upgrade its payment processing equipment and eliminate most manual check processing activities. IRS expected that system, known as the Check Handling Enhancements and Expert System, to increase its payment processing capacity and reduce the bottleneck that occurs between the time payments are removed from their envelopes and the time payment data are entered into IRS' records (see fig. 1). However, IRS cancelled procurement of the new system in March 1992. As discussed in our April 1992 testimony before the Senate Committee on Governmental Affairs, the cancellation was due to lengthy delays in developing the system, which occurred, in part, because of management's indecision concerning the system's requirements, costs, and benefits.[3]

[3] Tax Systems Modernization: Progress Mixed in Addressing Critical Success Factors (GAO/T-IMTEC-92-13, Apr. 2, 1992).

## IRS Needs to Pursue Other Strategies to Speed Deposits

Although IRS did not make any agencywide changes that affected tax deposits during the 1992 filing season, one service center initiated a creative approach to identify large tax payments during the peak period. From 1990 through 1992, the Austin Service Center gave priority handling to mail in oversized envelopes because Austin's past experience indicated that those envelopes, which it called "fats and flats," contained a high proportion of large tax payments. Using a service center warehouse, Austin staff looked through several days of mail that had accumulated during the peak period and sorted out the oversized envelopes. Austin then expedited the processing of that mail over mail received in regular-sized envelopes. Service center officials considered the new procedure successful because comparative data for each of the 3 years showed that Austin deposited a higher percentage of its tax dollars earlier in the peak period than other service centers. IRS data for the 1992 filing season support Austin's claim, as shown in figure 2.

**Figure 2: Comparison of Cumulative Percentage of Tax Dollars Deposited for Austin and Other Service Centers During the 1992 Peak Period**




Note 1: The peak period was April 15 to May 4, 1992.

Note 2: Missing dates were weekend days.

Source: IRS data.

IRS' National Office contacted all of the service centers in April 1992 to (1) share Austin's results, (2) encourage innovative approaches to identify large tax payments, and (3) request feedback on these efforts. Officials from other centers had varying opinions on the benefits of the Austin initiative. Some centers accepted Austin's claim that fats and flats contained larger payments and prioritized this mail each day. Unlike Austin, however, those centers worked each day's mail separately rather than looking through several days of mail at the same time. According to Austin officials, the ability to search through several days of mail and move all identified fats and flats to the front of the processing line no matter what day they were received at the center was the main reason for

Austin's success in improving its deposit performance. Other centers were not convinced that fats and flats contained larger payments and were reluctant to adopt the Austin initiative because they believed it would disrupt their deposit procedures and increase their costs.

## Data on Tax Payments Would Help IRS Evaluate Deposit Initiatives

We believe that IRS' National Office would have been more effective if it had asked each center to gather data on the extent that fats and flats contained large tax payments. However, the National Office did not ask the centers to compile such data or to compile data on the costs and benefits of the fats and flats initiative or of any other effort undertaken by the centers. Without such data, the National Office cannot make informed decisions that will benefit all centers.

Service centers have the capability to determine whether fats and flats or other types of mail, such as certified mail, contain large payments through periodic samples they take during the filing season to determine the percentage of mail containing tax payments. Service centers take these samples to validate workload estimates and adjust staffing, and officials at two centers told us they could record data on the type of mail containing the large tax payments. We believe IRS' National Office could use this knowledge to begin developing strategies to isolate and expedite the processing of large payments.

IRS has the opportunity to collect other data it can use to improve deposit timeliness and increase the government's interest earnings. IRS' procedures for 1992 and prior years required that checks of $10,000 or more be deposited within the same day of extraction during the peak period; all other checks were given lower priority. IRS has amended its procedures for 1993 to require that checks of $5,000 or more receive priority handling during the peak period. This change will not shorten the time IRS takes to identify large tax payments, but it will enable IRS to expedite the deposit of more large checks once they are identified.

As shown in appendix I, our analyses of 1992 data showed that tax payments of $5,000 or more accounted for less than 8 percent of the total number of payments deposited by the Cincinnati and Philadelphia service centers during the peak period but more than 65 percent of the lost interest. The data also showed that IRS could achieve even greater savings if it further lowered the level for which tax payments should be given priority handling. Tax payments of $2,000 or more, for example, accounted for less than 20 percent of the number of deposits at those two centers but over 80 percent of the lost interest. By analyzing data on the number of tax payments that all 10 service centers process at various dollar levels, IRS might see an opportunity to reduce the threshold level below $5,000.

## Applications for Filing Extensions Provide an Opportunity for Increasing Interest Income

Tax payments associated with applications for filing extensions (Form 4868) provide an example of how the collection and analysis of payment data could help IRS identify strategies for improving its deposit performance and increasing interest income. Our analysis of data in IRS' computer files showed that during the peak period the Cincinnati and Philadelphia service centers took about 8 days to deposit about $1.9 billion from 195,000 such tax payments. These payments averaged approximately $9,900, over four times the average tax payment submitted with regular income tax returns. Had the two centers been able to deposit these payments within 24 hours, the government would have earned another $1.2 million in interest income. Data on these payments are shown in appendix II.

Currently, payments accompanying applications for extensions come to the same place as individual income tax returns and must be extracted and sorted along with those returns. Considering the potential interest income associated with those payments, we have identified the following two options that IRS could try in an effort to expedite the deposit of those payments:

- IRS could change its mailing instructions so that taxpayers send Forms 4868 with tax payments to a separate post office address, thus allowing service center staff to identify and process them quicker.
- Or IRS could expand its use of lock boxes[4] by requiring taxpayers to send their Forms 4868 to a lock box in which case the service center would not get involved in depositing the check. Treasury's Financial Management Service would have to negotiate deposit agreements with banks to process this workload.

[4]A lock box is a postal rental box serviced by a commercial bank where persons who owe the government money are instructed to send their payments. For a per-item fee, the bank processes the payments and transfers the funds to Treasury's Federal Reserve Account; these transfers must be made by the workday following receipt of the payment. Banks also forward payment information to service centers for credit to taxpayers' accounts. IRS began using lock boxes nationwide in April 1989 for deposits of estimated tax payments.

## Treasury's New Cash Management Strategy Could Improve Deposit Timeliness, but Several Issues Need to Be Resolved

The Department of the Treasury has a long-term cash management strategy that it believes will improve deposit timeliness. The strategy, which involves IRS and the Financial Management Service, calls for expanding the use of lock boxes and moving most check processing activities from the service centers by 1996. IRS hopes, through the use of lock boxes, to deposit payments faster and avoid a costly replacement of its payment processing equipment.

Several issues need to be resolved before the lock box strategy can be successfully implemented. One issue is the same one raised by IRS officials who responded to our 1990 report—whether taxpayers or their representatives will be willing to use two envelopes—one for the return and another for the payment. IRS plans to test taxpayer compliance during the 1993 filing season. It will send special tax packages to about 130,000 taxpayers served by the Atlanta Service Center. Each tax package will contain a preprinted payment voucher and two return envelopes. Taxpayers will be asked to use one envelope to send their returns to the service center and use the other envelope to send their tax payments, along with the voucher, to a separate address. IRS plans to analyze the results in July 1993 and determine whether to expand the test in subsequent years.

Two other issues that need to be resolved involve (1) the cost of printing and distributing preprinted vouchers for many taxpayers and (2) the ability of banks to cost-effectively handle the surge in payment volume that has caused deposit delays for IRS.

## Conclusions

To better manage the government's tax receipts, IRS must identify the best revenue-enhancing way to process the heavy volume of tax payments sent to the service centers around the April 15 filing deadline. Our analysis of the deposits made by two service centers between April 15 and May 6, 1992, showed that the government lost substantial interest earnings because of the extended time it took to process those payments. In essence, the problems we identified during the 1990 filing season continue to exist, and the treasury continues to lose interest income.

IRS is considering having taxpayers send their payments directly to lock boxes and thus remove the service centers from the process. Even if the various issues surrounding this new cash management strategy are resolved, the strategy will not be implemented before 1996. In the interim, we believe there are several things IRS could do to hasten deposits and increase interest earnings.

One alternative would be to add the equipment and people needed to remove the processing bottlenecks. But considering that those additional resources might only be needed for a few days during the filing season, such an expenditure would not seem cost-effective. What seems more reasonable would be for IRS to revise its procedures so that available resources can be used to give priority attention to identifying and processing the largest payments. Unlike what happened in response to our 1990 report, IRS' National Office needs to lead the service centers in resolving this problem.

## Recommendations to the Commissioner of Internal Revenue

To speed the deposit of large tax payments, the Commissioner should direct the Assistant Commissioner for Returns Processing to

- expedite deposits of tax payments submitted with applications for filing extensions (Form 4868) starting with the 1994 filing season, and
- require that service centers collect data during the 1993 peak period to identify (1) the type of mail having the largest tax payments and (2) the number of tax payments received at various dollar levels. IRS should then use the data to develop other strategies for identifying and rapidly depositing large tax payments. The analysis should consider reducing below $5,000 the minimum amount of payment that is expedited during the peak period.

## Agency Comments

IRS' Assistant Commissioner for Returns Processing commented on a draft of this report. She agreed that most tax payment deposit delays occur in the mail opening and payment processing areas. The Assistant Commissioner said that IRS has considered adding more staff and resources during the April peak period to identify and process large tax payments more quickly but that it believed that the increased cost could not be offset by the additional interest earning opportunities. She noted that IRS is pursuing other alternatives, such as having tax payments made electronically or sent directly to a lock box.

In response to our recommendations, the Assistant Commissioner noted the following:

- IRS will explore the feasibility of sending Forms 4868 through a lock box process for a minimum of two service center sites in April 1994. IRS plans to complete its feasibility analysis by August 1, 1993. IRS will not consider using separate post office box addresses for service center processing because it has found in the past that using post office boxes sometimes caused delays.
- IRS intends to collect data during the 1993 peak period on the type of mail having the largest tax payments. The Assistant Commissioner pointed out that resource constraints and other commitments may inhibit any changes in the current process. IRS will also obtain an extract of payments processed by the service centers during the peak period. IRS plans to analyze this information to determine the potential for further reducing the payment level that it handles as a priority.

We are sending copies of this report to various congressional committees, the Secretary of the Treasury, the Commissioner of Internal Revenue, the Director of the Office of Management and Budget, and other interested parties. Copies will be made available to others upon request.

The major contributors to this report are listed in appendix III. Please contact me on (202) 272-7904 if you have any questions.

Sincerely yours,

Hazel E. Edwards
Associate Director, Tax Policy
and Administration Issues

# Analysis of Deposits of Tax Payments Accompanying Individual Income Tax Returns Filed at the Cincinnati and Philadelphia Service Centers

**Table I.1: Analysis of Deposit Activity by Amount of Deposit at the Cincinnati Service Center**

| | Cumulative | | | |
|---|---|---|---|---|
| Deposit amount | Number of deposits | Percentage of total deposits | Lost interest earnings[a] | Percentage of total lost earnings |
| $10,000 or more | 37,953 | 3.24 | $609,833 | 52.19 |
| 9,000 or more | 42,926 | 3.66 | 633,366 | 54.20 |
| 8,000 or more | 49,283 | 4.20 | 660,361 | 56.51 |
| 7,000 or more | 57,247 | 4.88 | 689,872 | 59.03 |
| 6,000 or more | 67,963 | 5.80 | 723,634 | 61.92 |
| 5,000 or more | 83,513 | 7.12 | 765,141 | 65.48 |
| 4,000 or more | 105,875 | 9.03 | 813,628 | 69.62 |
| 3,000 or more | 142,245 | 12.13 | 874,104 | 74.80 |
| 2,000 or more | 209,959 | 17.91 | 952,234 | 81.49 |
| 1,000 or more | 370,932 | 31.64 | 1,056,178 | 90.38 |
| 1 or more | 1,172,412 | 100.00 | 1,168,596 | 100.00 |

[a]Estimated interest earnings if IRS had deposited each remittance within 24 hours and the interest rate had been 3.4 percent.

Source: IRS computer files of deposit activity from April 15, 1992, to May 6, 1992.

**Table I.2: Analysis of Deposit Activity by Amount of Deposit at the Philadelphia Service Center**

| | Cumulative | | | |
|---|---|---|---|---|
| Deposit amount | Number of deposits | Percentage of total deposits | Lost interest earnings[a] | Percentage of total lost earnings |
| $10,000 or more | 38,473 | 3.61 | $726,088 | 58.07 |
| 9,000 or more | 43,575 | 4.09 | 749,343 | 59.93 |
| 8,000 or more | 49,863 | 4.68 | 774,791 | 61.97 |
| 7,000 or more | 57,856 | 5.43 | 803,285 | 64.25 |
| 6,000 or more | 68,779 | 6.46 | 836,776 | 66.93 |
| 5,000 or more | 84,004 | 7.88 | 875,948 | 70.06 |
| 4,000 or more | 106,605 | 10.01 | 923,135 | 73.83 |
| 3,000 or more | 142,645 | 13.39 | 981,181 | 78.48 |
| 2,000 or more | 209,594 | 19.67 | 1,056,096 | 84.47 |
| 1,000 or more | 360,084 | 33.80 | 1,151,425 | 92.09 |
| 1 or more | 1,065,448 | 100.00 | 1,250,275 | 100.00 |

[a]Estimated interest earnings if IRS had deposited each remittance within 24 hours and the interest rate had been 3.4 percent.

Source: IRS computer files of deposit activity from April 15, 1992, to May 6, 1992.

# Analysis of Deposits of Tax Payments Accompanying Applications for Filing Extensions Received by the Cincinnati and Philadelphia Service Centers

**Table II.1: Analysis of Deposit Activity by Amount of Deposit at the Cincinnati Service Center**

| | Cumulative | | | |
|---|---|---|---|---|
| Deposit amount | Number of deposits | Percentage of total deposits | Lost interest earnings[a] | Percentage of total lost earnings |
| $10,000 or more | 13,295 | 14.82 | $464,616 | 81.53 |
| 9,000 or more | 14,316 | 15.96 | 470,837 | 82.62 |
| 8,000 or more | 15,801 | 17.62 | 478,960 | 84.05 |
| 7,000 or more | 17,607 | 19.63 | 487,814 | 85.60 |
| 6,000 or more | 19,808 | 22.08 | 496,978 | 87.21 |
| 5,000 or more | 23,554 | 26.26 | 509,908 | 89.48 |
| 4,000 or more | 27,619 | 30.79 | 521,518 | 91.52 |
| 3,000 or more | 33,485 | 37.33 | 534,404 | 93.78 |
| 2,000 or more | 42,836 | 47.76 | 548,632 | 96.27 |
| 1,000 or more | 57,943 | 64.60 | 561,724 | 98.57 |
| 1 or more | 89,695 | 100.00 | 569,861 | 100.00 |

[a]Estimated interest earnings if IRS had deposited each remittance within 24 hours and the interest rate had been 3.4 percent.

Source: IRS computer files of deposit activity from April 15, 1992, to May 6, 1992.

**Table II.2: Analysis of Deposit Activity by Amount of Deposit at the Philadelphia Service Center**

| | Cumulative | | | |
|---|---|---|---|---|
| Deposit amount | Number of deposits | Percentage of total deposits | Lost interest earnings[a] | Percentage of total lost earnings |
| $10,000 or more | 17,906 | 17.03 | $550,879 | 81.88 |
| 9,000 or more | 19,197 | 18.25 | 558,616 | 83.03 |
| 8,000 or more | 21,130 | 20.09 | 568,894 | 84.55 |
| 7,000 or more | 23,415 | 22.27 | 579,591 | 86.14 |
| 6,000 or more | 26,242 | 24.95 | 591,057 | 87.85 |
| 5,000 or more | 30,991 | 29.47 | 606,918 | 90.21 |
| 4,000 or more | 35,614 | 33.87 | 619,597 | 92.09 |
| 3,000 or more | 42,451 | 40.37 | 634,022 | 94.23 |
| 2,000 or more | 53,316 | 50.70 | 649,963 | 96.60 |
| 1,000 or more | 70,308 | 66.86 | 664,213 | 98.72 |
| 1 or more | 105,163 | 100.00 | 672,820 | 100.00 |

[a]Estimated interest earnings if IRS had deposited each remittance within 24 hours and the interest rate had been 3.4 percent.

Source: IRS computer files of deposit activity from April 15, 1992, to May 6, 1992.

# Major Contributors to This Report

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