The Role of Tax Enforcement and Compliance Activities in Minimizing the Tax Gap

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Abstract: ***This study presents an empirical analysis of the role of tax enforcement and compliance activities in minimizing the tax gap in the United States of America. To identify the influence of tax enforcement and compliance activities on tax gap, the author used a regression model where tax gap was utilized as the dependent variable, and the ratio of tax return examined to total tax return filed utilized as the independent variables; between 2008 and 2021. The result of the regression analysis evidenced that tax gap is influenced by the extent of tax enforcement and compliance activities. The conclusion reached also entails that it is imperative for policymakers to guarantee that the IRS has sufficient funding and resources to efficiently execute its tasks; thereby increasing tax examinations and reducing tax gap.***

Keywords: Tax Gap, Tax Examination and Audit, Tax Enforcement and Compliance, Tax Policy, Tax Compliance Strategies, Fiscal Policy

1. Introduction and Literature Review

The enforcement and compliance activities of the internal revenue service (IRS) continues to decline annually due to the continuous reduction in the number of tax returns being examined annually. The decline in the enforcement and compliance activities of the IRS has continued to result in the growing tax gap in the United States. In a recent report by the U.S department of treasury (2021), "the tax gap totaled nearly $600 billion in 2019 and will rise to about $7 trillion over the course of the next decade if left unaddressed—roughly equal to 15% of taxes owed. These unpaid taxes come at a cost to American households and compliant taxpayers as policymakers choose rising deficits, lower spending on necessary priorities, or further tax increases to compensate for the lost revenue". This study shows that the continuous reduction in enforcement and compliance activities of the IRS due to the continuous reduction in the number of IRS employees, leads to reduction in the number of tax returns examined annually and has influenced the continued increase in tax gap in the United States.

Several researchers, papers, reports and press releases have defined the concept of tax gap in various ways in different literatures. The following are a few definitions that were made: "Tax Gap is defined as the difference between the true tax liability in any year and the amount of tax that is paid voluntarily and on time". "The Tax Gap estimate is a widely used measure in tax policy and administration and widely used in tax policy discussions, in congressional hearings, for strategic planning, for the IRS budget process, and for other tax system uses" (Holmgren, 2013). In the U.S. the 'official' IRS definition is simply: "The difference between the tax that taxpayers should pay and what they actually pay on a timely basis". Brown & Mazur, (2003) further mentioned that "tax gap is the difference between taxes paid and taxes owed for all federal taxes and all taxpayers". Giles (1997b; 1999b), who first define the 'hidden economy' or 'hidden income'. This is designed to capture income that is earned but is hidden from the tax authorities and, usually, official statisticians. The tax gap is then defined as hidden income multiplied by a suitable tax rate. This raises numerous conceptual and measurement issues, such as: what is included in hidden income, and what is a 'suitable' tax rate?

A recurring problem that has caught the interest of the United States government (white house), public, scholars, and legislators is the tax gap. According to GAO (2023), the non-filing gap, the underreporting gap, and the underpayment gap are the three further components that make up the tax gap. The amount of tax that taxpayers who neglect to file a necessary tax return do not pay is known as the non-filing gap. The amount of tax that taxpayers who falsely claim on their tax returns regarding their income, credits, deductions, or exemptions fail to pay is known as the underreporting gap. The underpayment gap is the amount of tax that is not paid by taxpayers who file their tax returns but do not pay the full amount of tax that they owe. According to Gemmell & Hasseldine (2012), the three key characteristics of the U.S. tax gap estimates entails – (i.) over 75% of the net tax gap is attributable to the individual income tax which is the largest single source of Federal receipts (ii.) over 80% of the gross tax gap is from underreporting (i.e. income underreporting and overstating deductions/credits) with roughly half this amount (including self-employment tax) attributable to underreporting of net business income by individuals with around 16% of the gross tax gap is attributable to underpayments of taxes or failure to file returns (iii.) non-compliance is highest among taxpayers whose income is not subject to third-party information reporting or withholding requirements. However, underreporting tax gap accounts for the largest share of the total gross tax gap to the United States in as shown in figure 1 below:

Understanding Accounts for the Majority of the Tax Gap

Source: IRS, Federal Tax Compliance Research: Tax Gap Estimates for Tax Years 2014- 2016, Publication 1415, October 2022.
Notes: Annual Average from 2014 to 2016
Figure 1: Tax Gap breakdown by component

The nation's financial stability as well as the equity and effectiveness of the tax system are significantly impacted by the tax gap. The government loses money because of the tax gap, which could have an impact on its capacity to fulfill its fiscal obligations, pay down the national debt, and fund public goods and services. The horizontal equity principle, which argues that taxpayers with comparable incomes and conditions ought to pay comparable amounts of tax, is further undermined by the tax gap. Due to the tax gap, noncompliant taxpayers unfairly benefit from a higher tax burden and possibly a higher marginal tax rate than compliant taxpayers. Because it causes distortions and inefficiencies in resource allocation, taxpayer behavior, and tax system administration, the tax gap also has an impact on the economic efficiency of the tax system.

The IRS, which oversees collecting taxes and making sure that the tax laws are followed, may have an impact on the tax gap depending on how much enforcement and compliance work it does. To close the tax gap, the IRS carries out several tasks, including educating and serving taxpayers, conducting audits and exams, pursuing penalties and collections, and carrying out research and analysis. However, the IRS has recently seen staff reductions and budget cuts, which might have made it more difficult for it to carry out its duties properly. According to the white house (2024), it was noted that "the IRS employment has decreased by about 15,000 employees (17% decrease), with even higher rates of decline in employees involved in examination and collections (31 percent) as well as prefiling assistance (27 percent); while the agency's budget has decreased from $15.1 Billion to $12.4 Billion (roughly 18%) in real terms between fiscal year 2010 and 2021". Thus, it should come as no surprise that the IRS's capacity to enforce the tax code was weakened by these financial cuts and staffing reductions, and as a result, the gross and net tax gaps increased simultaneously as shown in figure 2 below:

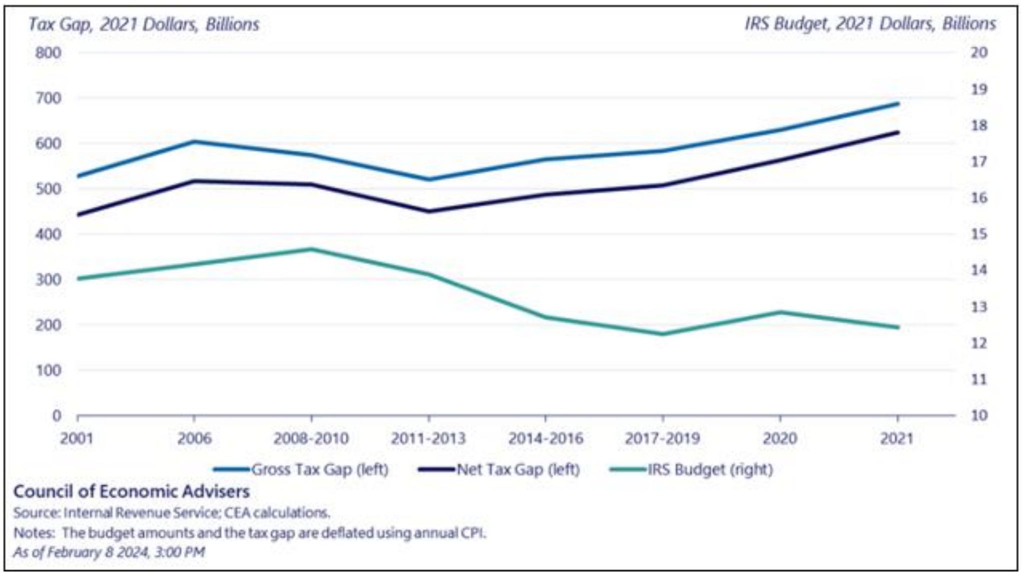

Figure 2: Tax Gap and IRS Budget, 2001 - 2021

The result of figure 2 above has resulted in various conclusions on the extent of decline in the IRS's enforcement and compliance activities over the years. Greg Iacurci (January 2020) stated that "the IRS audited roughly 1 out of every 220 individual taxpayers last year. A decade ago, those odds were closer to 1 in 90 and the drop in audits correlates to budget and personnel reductions at the tax agency". He further noted that "The agency audited 0.45% of individual tax returns in fiscal 2019, which ran through Sept. 30, 2019. That figure is down from 0.59% in 2018, and down by more than half from what it was in 2010, when 1.11% of taxpayers were audited". Along with frustrating backlogs, declining audit rates have been the topic of many accountant discussions regarding how IRS budget constraints have affected taxpayers (Caplan, 2022).

Research carried out by Hashimzade et al. (2013) asserts that the non-expected utility theory explains that taxpayers do not make decisions based on objective probabilities in the process of tax evasion. This is a fact exploited by revenue services in the design of their strategies which are designed to convey the fact that the probability of audit is significant, and that punishment is harsh. Raczkowski & Mroz (2018) further stated that if taxpayers see that it is possible to evade taxation with the consent of the law by way of avoiding taxation, they will naturally take advantage of this opportunity and act like

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other economic agents on the market. GAO (2022) further stressed in its 2022 report, that taxpayers are more likely to voluntarily comply with the tax laws if they believe their return may be audited. GAO (2022) continued further by mentioning that in recent years, the IRS has examined, or audited, a decreasing proportion of individual tax returns. This trend has raised concerns about the potential for declining taxpayer compliance, as well as whether the IRS is equitably selecting taxpayers for audit.

According to Mechitov & Moshkovich (2022), another important issue in the tax system is the rate of tax compliance. The American tax compliance rate in 2019 according to the IRS stood at 81.7%, which creates an average annual tax gap of about $450 billion (IRS data for 2008-2010). TRACIRS (2022) concluded in its report that “as budget cuts have forced a reduction in many different IRS efforts, how will these steady declines affect the continuing viability of the nation’s voluntary federal income tax system? Only a small proportion of tax returns and transactions having tax consequences are ever examined. And that proportion has been steadily dropping year after year”. According to Olaluwoye (2024), tax gap has continued to grow annually, and it represents lost tax revenue, while tax examination has continued to fall annually; and that policy makers should ensure that appropriate funding is made available to increase the enforcement activities of the internal revenue service of the United States of America.

An important question arises in the mind of the author of this paper, what’s behind the drop in the tax audit over the years? Ebeling (2022) answered this pertinent question, having stated that “on average, individual tax returns were audited over three times more often for tax year 2010 (0.90%) than for tax year 2019 (0.25%)”. Ebeling (2022) further noted that “IRS staffing shortages are due to attrition and decreased funding. Since fiscal year 2011, the number of tax examiners who work basic audits, usually by mail, decreased by 18%, and the number of revenue agents who work on complex in-the-field audits decreased by more than 40%. Looming retirements mean more departures. About 14% of current tax examiners and 16% of current revenue agents are expected to retire in the next three years. Another factor: audits are taking longer as they’re transferred from departing staff to others to complete”.

Ebeling (2022) concluded saying that the IRS response to the Government Accountability Office report decries that “millions” do not accurately report and pay their tax liabilities, noting that the audit process helps ensure fairness. With increased funding, the IRS says it could replace auditors lost to attrition and tackle the tax gap. To enhance tax compliance to reduce tax gap, Alm (2012) introduced the traditional “enforcement paradigm” – the emphasis is exclusively on repression of illegal behavior through frequent audits and stiff penalties. This has been the conventional paradigm of tax administrations throughout history, and it fits well the standard economic model of tax evasion based upon the economics-of-crime theory.

This paper aims to perform a deep dive into the tax gap in the United States and the role of tax enforcement and compliances activities in minimizing tax gap in the US, using various data sources from 2008 to 2021. The paper employs various data analysis and the regression model to test the hypothesis that the tax gap is not influenced by IRS’s enforcement and compliance activities. The paper also discusses the findings, recommendations, conclusions, and suggestions for future research on the tax gap.

2. Research Objectives

The objective of the research is to perform a deep dive into the tax gap in the United States and the role of tax enforcement and compliances activities in minimizing tax gap to:

1) Assess how tax gap causes a difference between estimated tax liability and tax paid voluntarily, as well as its impact on the gross domestic product (GDP).
2) Examine the component of the tax gap to determine which component contributes significantly to tax gap and loss of tax revenue.
3) Examine the different type of taxes to access such that result in the most tax gap to the United States.
4) Examine the trend in the IRS’s enforcement and compliance activities and its effect on the tax gap.

To achieve the objectives stated above, this research paper analyzed the relevant data and variables that address the research objectives in 2.2 to 2.6.

2.1. Research Hypotheses

To perform a deep dive into tax gap in the United States and the role of tax enforcement and compliances activities in minimizing tax gap, this research paper hypothesizes the following:

H_0: Tax gap is not influenced by IRS’s enforcement and compliance activities.

2.2. Research Methodology and Data Analysis

The data for the relevant years (i.e. 2008 – 2021) utilized in this research paper were obtained from secondary sources such as the internal revenue service (IRS) and the Federal Reserve Bank.

To examine the tax gap in the United States and the role of tax enforcement and compliances activities in minimizing tax gap, this paper uses various variables that directly and indirectly influence the tax gap. The variables include tax gap, estimated true tax liability, tax paid voluntarily and timely, non-filing tax gap, underreporting tax gap, underpayment tax gap. The variables are first defined and then analyzed to reflect how they can directly or indirectly affect the tax gap.

Tax Gap: According to the Internal Revenue Service (IRS), “the gross tax gap is the difference between true tax liability for a given tax year and the amount that is paid on time. It consists of the non-filing gap, the underreporting gap, and the underpayment (or remittance) gap”. Different types of taxes such as individual income, corporate, employment and estate taxes contribute to the tax gap.

Figure 3: Tax Gap for the tax year 2021

Source: Taxpayer Research and IRS Data

Estimated True Tax Liability: This refers to the total amount of tax an individual or business is expected to owe for a specific tax year. It encompasses various taxes, such as income tax, self-employment tax, and other related obligations. Calculating this liability involves considering factors like income, deductions, credits, and applicable tax rates.

Tax paid voluntarily and timely: Considering that the United States employs a self-assessment system of tax return filing, tax paid voluntarily and timely represents taxes paid by individuals and corporations as and when due without any internal revenue service enforcement activities.

Non-filing tax gap: The IRS refers to the non-filing tax gap as "the tax gap associated with required tax returns that were not filed at all or were filed after the filing deadline or valid extension date".

Underreporting tax gap: This is an instance in tax when taxpayers either understate their income or overstate their deductions, exemptions, and credits filed on their tax returns. It could also represent the difference between the true tax liability and the amount of tax reported and paid on time.

Underpayment tax gap: This represents the difference between the tax liability reported by taxpayers and the actual amount remitted by taxpayers to the tax authorities. Tax returns filed but remain unpaid at the full amount promptly contributes to the underpayment gap.

2.3. Data Analysis to identify the factors that directly or indirectly influence tax gap between 2008 - 2021

Tax gap has continued to cause loss of revenue annually to the United States. Let us observe the following trend of the parameters graphically.

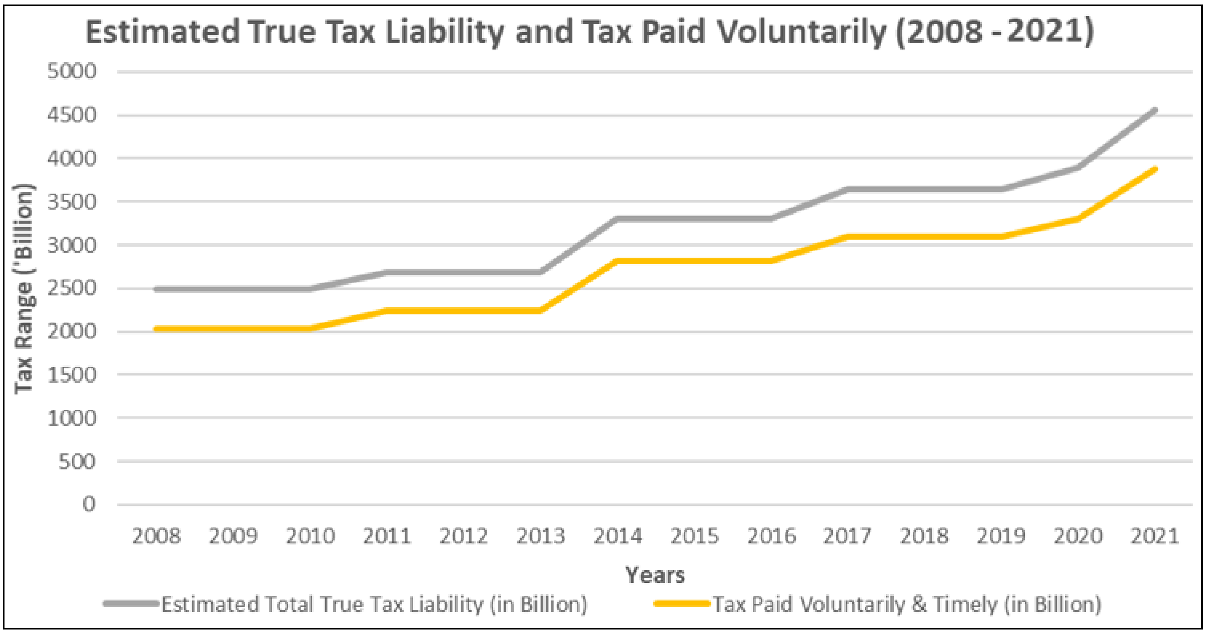

Figure 4: Estimated True Tax Liability and Tax Paid Voluntarily and Timely (2008 - 2021)

Source of Data: Taxpayer Research and IRS Data

From figure 4, we can observe that the estimated true tax liability and tax paid voluntarily and timely have continued to grow annually, with an obvious gap annually. The gap between the estimated true tax liability and tax paid voluntarily and timely is defined as the tax gap, which constitutes losses from failure to collect all tax due. Hence, The United States is losing billions of dollars in tax revenues annually due to the identified gap.

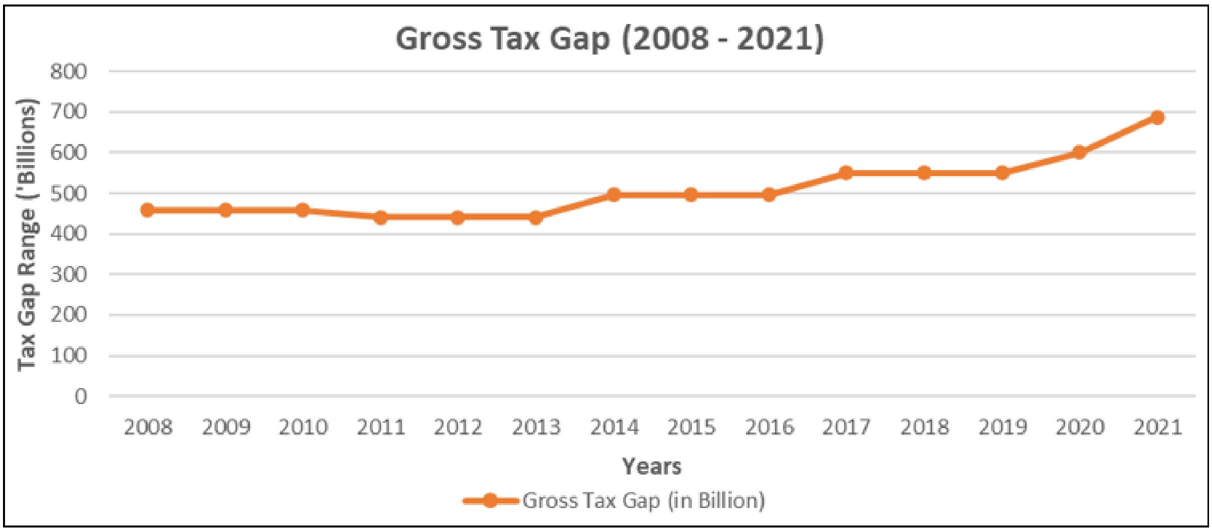

Figure 5: Gross Tax Gap (2008 - 2021)

Source of Data: Taxpayer Research and IRS Data

From figure 5, the tax gap in the US in the last 14 years has continued to skyrocket and it is at about $688Billion as of 2021. The tax gap represents lost revenue from taxes. It has continued to grow due to several factors such as population growth, extent of IRS enforcement and compliance activities and other micro and macro-economic factors. The trend shown in figure 5 is consistent with the conclusion of the U.S department of treasury (2021), which noted that "the tax gap totaled nearly $600 billion in 2019 and will rise to about $7 trillion over the course of the next decade if left unaddressed—roughly equal to 15% of taxes owed.

Due to the continuous trend in tax gap as noted in figure 5, tax gap nearly doubled from $458 billion in 2008 to $688 billion in 20221. This widening tax gap has significant implications for the economy, including its impact on Gross Domestic Product (GDP) as shown in appendix 2. Although GDP has continued to grow annually due to various micro and macro-economic factors, appendix 2 shows that the tax gap has continued to maintain roughly 3% of the GDP annually. Hence, the United States has on an annual basis continued to lose a significant revenue that could be used to address macroeconomic needs.

2.4. Data Analysis to Analyze the Various Type of Tax Gap Between 2008 - 2021

Let us observe the following trend of the parameters graphically.

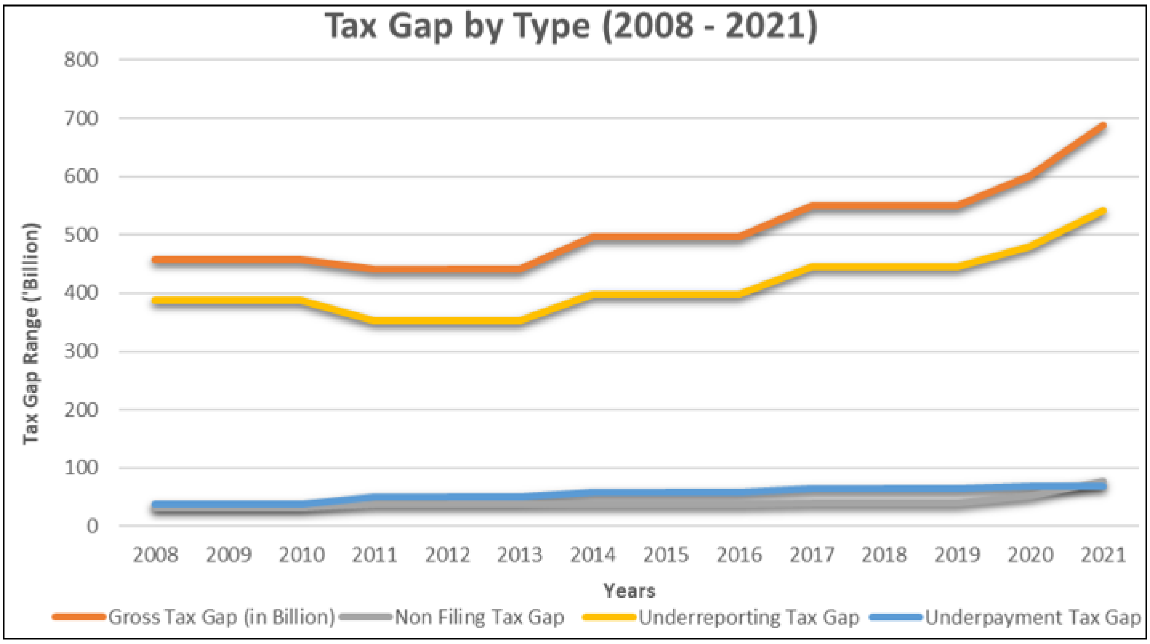

Figure 6: Tax Gap by Type of Tax Gap

Source: Taxpayer Research and IRS Data

From figure 6, tax gap arises from several types such as non-filing of tax, underreporting of taxes and underpayment of taxes. Over the past 14 years (i.e. 2008 – 2021), under-reporting of tax has continued to be the major driver of tax gap in the US; currently sitting at an all-time high of $542Billion as of 2021. Underreporting of taxes constitutes tax evasion, as affected persons fail to report all or some of their income, hence an illegal act punishable by the IRS code. This is consistent with GAO (2022), which concluded that underreporting is the largest component of the tax gap—the difference between the amount of taxes owed and taxes paid timely and voluntarily. The consistent increase in under-reporting tax gap continues to explain the existence of shadow economy, for which incomes are under-reported for tax purposes.

2.5. Data Analysis to Depict the Trend of Tax Gap by Tax Type Between 2008 – 2021

Let us observe the following trend of the parameters graphically.

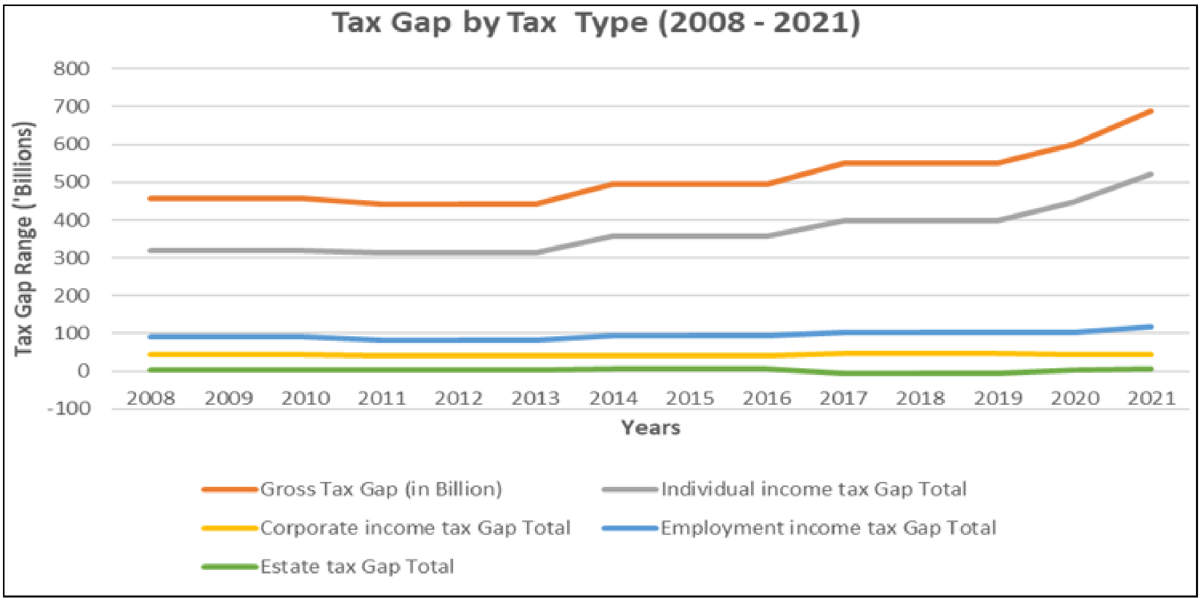

Figure 7: Tax Gap by Tax Type

Source: Taxpayer Research and IRS Data

From figure 7, it can be concluded that individual income tax contributes the most on a yearly basis to the tax gap in the United States. Individual income tax gap currently sitting at $520 Billion in 2021, which represents about 75.5% of the total gross tax gap in 2021. From figure 7, it can be concluded that efforts to close the individual income tax gap have focused on enhancing enforcement and compliance measures. Despite these efforts, the voluntary compliance rate has remained relatively stable, indicating persistent issues in taxpayer behavior and reporting practices.

2.6. Data Analysis to Analyze the Cause of Declining IRS Enforcement and Compliance Activities Between 2008 – 2021

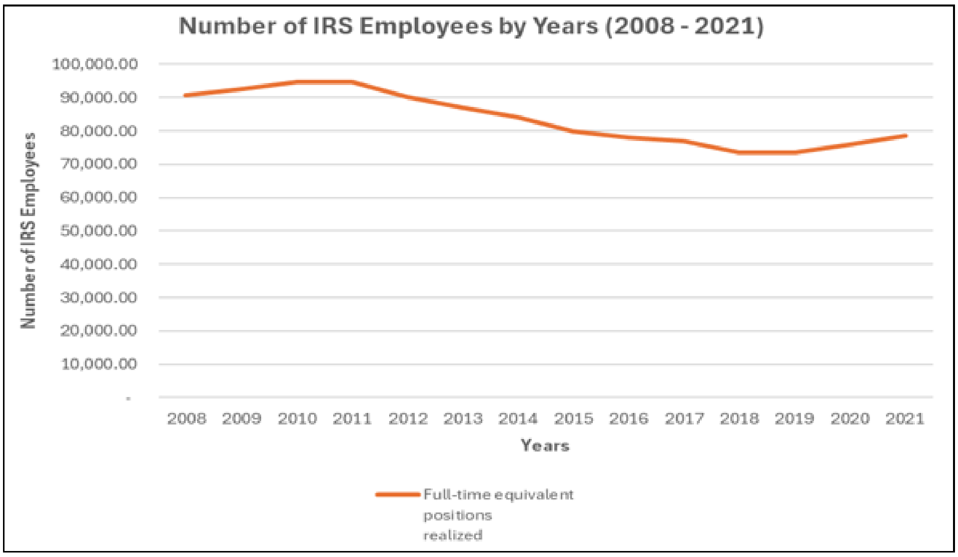

Figure 8: Trend in the number of IRS employees

Source: Taxpayer Research and IRS Data

From figure 8, it can be noted that the number of IRS employees on an annual basis has continued to drop and invariably reducing the enforcement and compliance activities of the IRS towards tax compliance over the last 14 years (2008 – 2021). This is further corroborated by Figure 9,

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which depicts the continuous decline in the number of tax examinations.

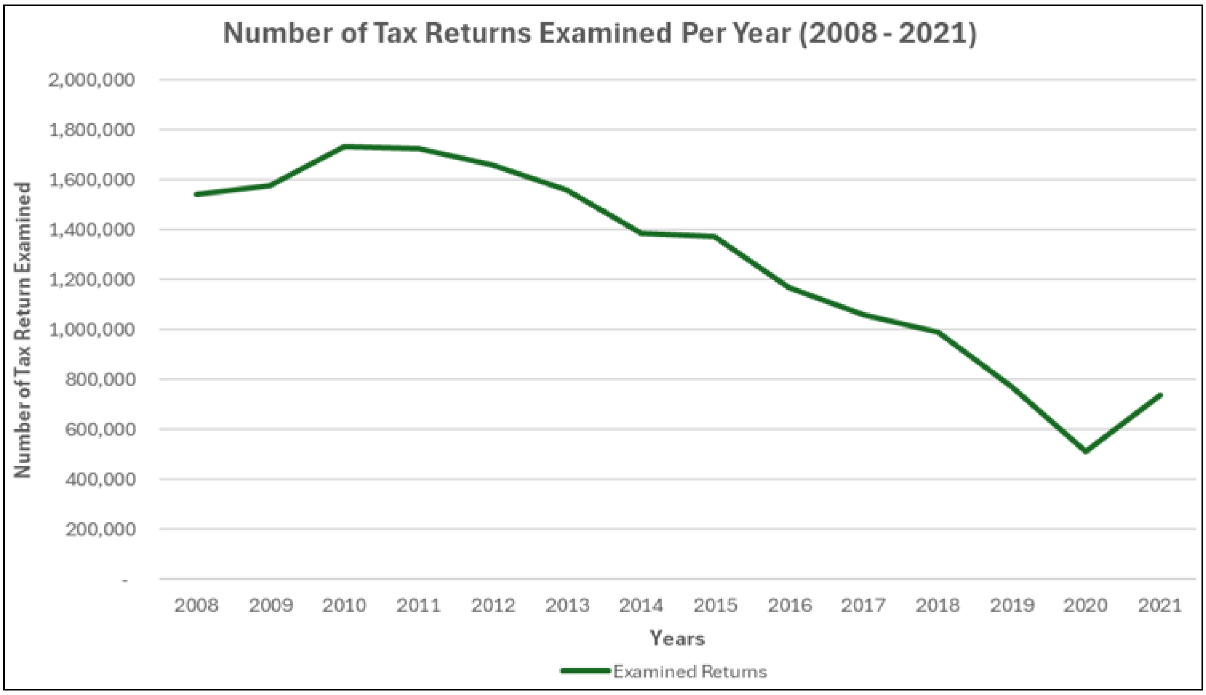

Figure 9: Trend in the number of tax returns examined by IRS

Source: Taxpayer Research and IRS Data

Figure 9 shows that due to the reduction in the number of IRS employees in figure 8 above, there has been a continuous reduction in the IRS enforcement and compliance activities; hence, the continuous reduction in the number of tax returns examined over the last 14 years (2008 – 2021). Evidently, the consistent decline in the number of examined tax returns is the driver of the consistent increase in the tax gap in the United States.

2.7. Test of Hypothesis

We then research to examine the role of tax enforcement and compliances activities in minimizing tax gap by testing the hypothesis below:

H_0: Tax gap is not influenced by IRS enforcements and compliance activities.

The analysis to determine the influence of tax enforcement and compliance activities on tax gap is done by using simple linear regression techniques. The regression is based on the following model:

Yt=β0t+β1Xt+€t

Where:

Yt: Gross tax gap

Xt: Ratio of tax returns examined

β0: Intercept

β1: Slope of the regression model

€t; Error term

The table below documents the correlation analysis between the dependent and independent variables which are gross tax gap and examined tax returns respectively.

Table 1: Correlation Analysis between independent and dependent data

	Gross Tax Gap	Ratio of Examined Returns
Gross Tax Gap	1.000	(0.896)
Ratio of Examined Returns	(0.896)	1.000

Source: Author's Computation 2024

Table 1 above evidenced that there is a strong negative correlation of 89.6% between gross tax gap and the ratio of examined tax returns; hence, establishing a strong inverse relationship between the variables analyzed. This indicates that as one variable increases, the other tends to decrease. The result of this correlation analysis depicts that a decrease in ratio of examined tax returns would result in an increase in tax gap, and vice versa.

Table 2: Goodness of fit of Regression Model

Regression Statistics	*Results*
R Square	0.803
Adjusted R Square	0.786
Standard Error	33.360
ANOVA (F)	48.858
Significance F	0.000

Source: Author's computation 2024

The results of the goodness-of-fit measures above (in table 2) shows that the regression model has a high explanatory power, as it explains about 80% of the variation in the tax gap in the United States. The coefficient of determination (R Square) of 0.803, indicates that 80% of the variations in the tax gap in the United States is explained by the explanatory variables (ratio of examined tax returns); while the remaining 20% unexplained variations is influenced by other variables not considered in this model but captured by the error term in the model. The model also exhibits extreme significance, with a significance level of 0.000 and an F-statistic value of 48.858, surpassing the benchmark of 0.05.

The table below shows the results of the regression analysis

Table 3: Result of Regression Analysis

	Coefficients	Standard Error	t Stat	P-value
Intercept	713.828	30.649	23.290	0.000
Ratio of Examined Returns	(161,300.005)	23,076.218	(6.990)	0.000

Source: Author's computation 2024

The results of the regression analysis above (in table 3) shows that the ratio of examined tax returns have significant and positive effects on the tax gap, as expected at t-statistics of 6.990 which exceeded 0.05 and a p-value of 0.000. The coefficients of the ratio of tax returns examined is statistically significant at the 161,300% level, indicating that a one-unit increase in the ratio of examined tax returns leads to a 161,300-percentage point change in the tax gap. It suggests that as the ratio of examined tax returns increases, the tax gap tends to decrease significantly; hence, tax gap is significantly influenced by tax enforcement and compliance activities.

3. Findings and Interpretation

The results of the regression analysis do not support the hypothesis that tax gap is not influenced by IRS enforcement and compliance activities. The result is consistent with the previous literatures that suggests that the IRS enforcement and compliance activities have direct and indirect effects on the tax revenue and the tax gap, and that the effects vary by the type and the level of the IRS activities. The result implies that the budget cuts and staff reductions that the IRS has faced in recent years have adversely affected the examination of tax returns; hence, its ability to reduce the tax gap and to enhance the voluntary compliance and the deterrence effect.

4. Recommendations

Based on the findings in this paper, it is recommended that adequate funding be put at the disposal of the IRS to increase the number of full-time employees and the rate of tax return examinations. This is in line with the conclusion reached by Olaluwoye (2024), who concluded that tax gap has continued to grow annually, and it represents lost tax revenue, while tax examination has continued to fall annually; and that policy makers should ensure that appropriate funding is made available to increase the enforcement activities of the internal revenue service of the United States of America. Ebeling (2022), further noted that "with increased funding, the IRS says it could replace auditors lost to attrition and tackle the tax gap" and Alm (2022) who noted that increase the number of audits, either by hiring additional auditors or by contracting out audits to for-profit firms would enhance tax gap detection. This could potentially reduce the tax gap, leading to increased revenue for the government and economic growth through an increased GDP. Additionally, the IRS should also consider implementing more efficient and effective strategies for tax return examinations to maximize the potential revenue.

Given the implications of the findings, it may be beneficial for policy makers to review current policies related to IRS staffing and tax return examinations. This could involve assessing the feasibility and potential impact of increasing IRS staffing levels and enhancing tax return examination processes. This recommendation agrees with GAO (2023) report which noted that "audits may encourage voluntary compliance with the tax code by affirming to taxpayers that the IRS is likely to catch evasion or error, and enforcement would reduce the tax gap by more than the amount collected through the enforcement action itself".

Special attention should be placed on examination of individual income tax through underreporting of income and taxes which has continued to contribute significantly to the tax gap in the US on an annual basis. Overall, addressing the individual income tax gap requires a multifaceted approach, including better taxpayer education, more robust enforcement mechanisms, and potentially simplifying the tax code to reduce opportunities for evasion.

5. Suggestions for Future Research

Future research could further explore the specific mechanisms and models through which IRS staffing levels and tax return examination rates impact the tax gap. This could include a more detailed analysis of different types of tax returns and the specific areas where non-compliance is most common.

Other studies can be performed into the reason for under-reporting of taxes withheld from earned individual income and how policy review or changes can influence optimum reporting.

Additionally, future studies could also investigate the impact of other factors on the tax gap, such as changes in tax policy or economic conditions. Longitudinal studies could provide a more comprehensive understanding of trends over time and the effectiveness of different strategies for reducing the tax gap.

Finally, comparative studies could be conducted to examine the tax gap in different countries and the strategies they employ to address this issue. This could provide valuable insights and best practices that could be applied in the US context. This agrees with the conclusion made by Alm (2012) who stated that any government approach toward tax compliance must address this "full house" of behaviors by devising a comparable "full house" of policies to combat evasion.

6. Conclusion

Tax scrutiny has a significant and complex impact on the tax gap in the United States. The tax gap—the difference between taxes owing and taxes paid on time—is clearly reduced by improved tax examination procedures, as shown by thorough study. It has been demonstrated that the IRS's audits and compliance inspections work to discourage noncompliance and promote voluntary tax payments. According to the statistics in this paper, the main causes of the tax gap are underreporting, non-filing, and underpayment. Tax examinations can find disparities and impose corrective action by concentrating on these areas.

Furthermore, it is impossible to overestimate the deterrent value of tax exams. Compliance rates rise when people believe they will be audited more frequently. The ongoing results that third parties have consistently found corroborate this. But it's also critical to talk about the obstacles and constraints the IRS faces when carrying out thorough tax examinations. Resource constraints leading to reduced tax enforcement and compliance activities of IRS are linked based on this paper as a major driver of tax gap.

In summary, even if tax examinations are essential for reducing the tax gap, the best outcomes will come from a well-rounded strategy that includes enforcement, taxpayer education, and service enhancements. It is imperative for policymakers to guarantee that the IRS has sufficient funding and resources to efficiently execute its tasks. By doing this, it will be possible to preserve the integrity of the tax system and guarantee equity and justice for every taxpayer.

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Appendix 2: Tax Gap and Impact on Gross Domestic Product (GDP) (2008 – 2021)

Year	Gross Tax Gap (in Billion)	GDP (in Billion)	Gross Tax Gap as a percentage of GDP
2008	458	14,608.21	3.1%
2009	458	14,651.25	3.1%
2010	458	15,309.47	3.0%
2011	441	15,842.26	2.8%
2012	441	16,420.42	2.7%
2013	441	17,192.02	2.6%
2014	496	17,912.08	2.8%
2015	496	18,435.14	2.7%
2016	496	19,089.38	2.6%
2017	550	20,037.09	2.7%
2018	550	20,917.87	2.6%
2019	550	21,902.39	2.5%

2020	601	22,024.50	2.7%
2021	688	24,654.60	2.8%

Source of Data: *Taxpayer Research and IRS Data (Tax Gap), Federal Reserve Bank of ST. Louis (GDP)*