

## **Filing Season Update**

### **Personal Income Tax Returns**

As of March 19, 2007 there were 6.6 million personal income tax returns filed, which is up 3 percent from last year. Of this, our total universe of personal income tax e-file returns is 6 percent ahead of last year's figures. Last year at this time, we received 4.8 million electronically filed returns, while this year we received five million returns. We've received 77,000 CalFile returns, up 19% over last year at this time. Of all current year personal income tax returns filed, 77% were electronic, up 3 percent over last year. We anticipate receiving 63% of all returns electronically this year. Current year paper-filed returns have decreased this year by six percent, or 96,300 returns.

### **Business Entity Tax Returns**

As of March 19, 2007, around one of the busiest deadlines for corporation returns, 224,100 business returns were received, down two percent from last year. Current year electronically filed business returns increased 225% with 9,300 returns received compared to 2,900 received at this time last year. This significant increase is attributed to accepting electronically filed current year corporation returns for the second year, in addition to the following newly added return types: Form 100 S for CA S Corporations, Form 565 for CA Partnerships, and Form 568 for Limited Liability Companies, and corporation returns for the previous year.

### **Personal Income Tax Refunds**

As of March 19, 2007 there have been 4.7 million personal income tax refunds issued amounting to \$3.3 billion. The volume of refunds issued this year is three percent higher than last year. The average refund this year is \$686, compared to last year's average of \$645. The number of direct deposit refunds grew by 238,500, or 11 percent over last year. New for this year is providing taxpayers the option to split their direct deposit refunds into two accounts. Out of the 2.4 million direct deposit requests received to date, approximately 1,400 taxpayers chose to use this option. The relatively low uptake is similar to what the IRS is experiencing.

### **Total Deposits (Personal Income Tax, Business Entity, and Non-Tax)**

The total number of deposits received this year is just over 2 million, up by two percent over last year. The total dollar amount received is \$7.1 billion, up by one percent compared to last year. As with last year, paper continues to be taxpayers' payment method of choice, representing 84% of total deposits. The volume of electronic deposits is up by 2 percent over last year.

### **Taxpayer & Tax Practitioner Services – Call Center**

The total volume of calls reaching our general Interactive Voice Application (IVR) is 1.4 million contacts this year, which is eight percent higher than last year.

Our general information call center answered 362,700 calls this year, up 10% from last year. This year, the average wait time is 7 minutes and 45 seconds, compared to last year when it was slightly over 5 minutes.

April 4, 2007

## **Filing Season Update**

Calls to our Tax Practitioner Hotline have increased 66% from last year. The average wait time for the Hotline is 3 minutes and 33 seconds, compared to last year at 2 minutes and 20 seconds.

### **Internet Services**

We have received 2.6 million total visits to our Website this year. The top five visited pages are: Home page, Forms and Publications, Refund Status, CalFile, and Customer Service Number. So far, taxpayers have downloaded just over 3.3 million tax forms, schedules, and instructions.

### **Estimate Payment Letter Pilot**

For the 2005 tax year, FTB created a pilot letter that provided taxpayers with an accounting of their total estimate payment credit paid for the year. The letter was sent to a sample group of 1,000 taxpayers. This year, the pilot was expanded to taxpayers who had a discrepancy in calculating their previous year's estimate payments. Last month, approximately 100,000 letters were sent to this universe. If the expanded pilot is successful, we will evaluate the feasibility of sending these "information letters" to all estimate payment taxpayers.