



Press Release

Tax Day 2021: Despite Huge Paperwork Drop, Costs Stay Steady

ALLISON EDWARDS | MAY 13, 2021

While the COVID-19 pandemic led to the delay of Tax Day by one month, this postponement had little effect on the annual cost of complying with tax paperwork. This year saw a substantial decrease in the amount of Internal Revenue Service (IRS) paperwork, but the current annual cost of complying dropped by only 3 percent, write AAF's Director of Regulatory Policy Dan Bosch and Director of Fiscal Policy Gordon Gray. The time burden required to complete forms decreased nearly a quarter from 2020 to 6.1 billion hours.

Their central points:

- The total projected cost of IRS paperwork is \$191 billion annually – a small decrease from last year's projection;
- The number of hours spent on tax paperwork declined by 24 percent, to 6.1 billion hours;
- Though the estimated number of IRS paperwork hours has fallen over the last five years, that decrease is not commensurate with costs, which have stayed steady; and
- Other metrics of IRS performance have declined, but nevertheless remain broadly in keeping with recent performance.

[Read the analysis.](#)