Press Release

Tracker: The Cost of Tax Paperwork for Tax Day 2023

PAULINA ENCK | APRIL 17, 2023

In an American Action Forum tracker update, Director of Regulatory Policy Dan Goldbeck records the cost of complying with Internal Revenue Service paperwork using data on Information Collection Reviews from the Office of Information and Regulatory Affairs' RegInfo.gov website. For this edition of the tracker, data as of April 15, 2023, is compared to the snapshot of costs compiled annually by AAF on Tax Days going back to 2017.

An excerpt:

> After crossing the $200 billion threshold in 2022, the administrative costs involved in tax paperwork continued to ascend in 2023, increasing by nearly $15 billion. The main drivers of this continued trend were, incidentally, the two most significant types of returns: the "U.S. Business Income Tax Return" and the "U.S. Individual Income Tax Return." The business tax return saw a cost increase of roughly $11.2 billion while its overall hour total fell by 186 million hours. Such a dynamic yielded a $62.49 per-hour rate, approximately $20 per-hour higher than its previous iteration.

APR 15TH 2023

TAX PAPERWORK BURDEN

TOTAL COST
$224.5B

TOTAL HOURS
6.5B

PER TAX RETURN COST
$813.63

PER TAX RETURN HOURS
23.7

AAF

Read the analysis