



TaxNewsFlash

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IRS announces new effort focused on high-income non-filers

The IRS today announced a new effort focused on high-income taxpayers who have failed to file federal income tax returns.

According to the IRS release—[IR-2024-56](#) (February 29, 2024)—the new initiative will begin with IRS compliance letters going out this week on more than 125,000 cases in which tax returns have not been filed since 2017.

- The mailings include more than 25,000 to those with more than \$1 million in income, and over 100,000 to people with incomes between \$400,000 and \$1 million between tax years 2017 and 2021.
- These are all cases where IRS has received third-party information—such as through Forms W-2 and 1099s—indicating these people received income in these ranges but failed to file a tax return.
- Since the IRS is not aware of the potential credits and deductions these people may have, the amount of potential revenue to be gained from this effort is uncertain.

Without adequate resources, the IRS non-filer program has only run sporadically since 2016 due to severe budget and staff limitations. With new funding under H.R. 5376 (commonly called the “Inflation Reduction Act of 2022” (IRA)), the IRS now has the capacity to do this tax administration work.

The IRS today also released a fact sheet—[FS-2024-06](#)—on what to expect after receiving a non-filer compliance alert notice and what to do to resolve the non-filing status.

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