

III. FY 2023 PRIVATE DEBT COLLECTION PROGRAM BUSINESS RESULTS

A. Tax Receivables Delivered¹

Tax Receivables Delivered		
FY 2023		
PCA	Number of Entities	Amount
CBE	102,361	\$981,507,508
ConServe	102,396	\$990,893,727
Coast	102,414	\$963,667,149
Total	307,171	\$2,936,068,384

Source: SB/SE - PDC "FY 2022 New Scorecard Report"; Tax Receivables data is through December 15, 2022 .

B. Amounts Collected²

Program Revenue	
FY 2023	
Commissionable Payments¹	\$120,751,387
<i>CBE</i>	<i>\$49,083,674</i>
<i>Coast</i>	<i>\$24,645,754</i>
<i>ConServe</i>	<i>\$47,021,959</i>
Non-Commissionable Payments²	\$11,945,311
<i>CBE</i>	<i>\$4,389,955</i>
<i>Coast</i>	<i>\$3,593,994</i>
<i>ConServe</i>	<i>\$3,961,362</i>
Special Compliance Personnel Revenue³	\$127,995,347
Total Program Revenue	\$260,692,045
Less: Retained Earnings⁴	\$60,375,769
Net Revenue to General Fund/Treasury	\$200,316,276

¹Source: Chief Financial Officer (CFO); Commissionable payments are through the reporting cycle ending December 15, 2022.

²Source: SB/SE - PDC "FY 2023 Non-Commissionable Payment Report" through December 15, 2022.

³Source: Enforcement Revenue Information System (ERIS); Special Compliance Personnel Revenue is through December 31, 2022.

⁴Source: CFO Compensation Report; Retained Earnings are through December 15, 2022.

¹ IRC 6306(j)(1)(A)—The total number and amount of tax receivables provided to each contractor for collection. NOTE: In accordance with the Statement of Federal Financial Accounting Standards No. 7, Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting, compliance assessments are not considered tax receivables under federal accounting standards. Although not considered a tax receivable, compliance assessments represent legally enforceable claims.

² IRC 6306(j)(1)(B) [part 1]—The total amounts collected (and amounts of installment agreements entered into under subsection (b)(1)(B)) with respect to each contractor

Payment Arrangements Entered		
FY 2023		
PCA	Number of Entities	Amount
CBE	18,225	\$178,791,374
ConServe	12,664	\$116,630,410
Coast	4,211	\$39,793,401
Total	35,100	\$335,215,185

Source: SB/SE - PDC "FY 2022 All PCAs Report;" Installment Agreements Entered data is through December 15, 2022.

C. IRS Private Debt Collection Costs³

IRS PDC Collection Costs	
FY 2023	
Expense	Amount
PCA Commissions ¹	\$20,173,899
PDC Program Costs ²	
Labor	\$13,626,045
Travel	\$337,176
Training	\$20,580
Print & Postage	\$378,576
Contracts	\$180,725
Supplies and Services	\$3,223
Background investigations	\$0
IT Equipment	\$0
Reobligation of Recoveries	\$553,355
Indirect	\$8,516,278
Total Cost	\$43,789,857

¹Source: Chief Financial Officer (CFO); Commissions are through December 15, 2022 and all other costs are through December 31, 2022.

²Source: SB/SE Finance; PDC program costs are through December 31, 2022.

³ IRC 6306(j)(1)(B) [part 2]—...the collection costs incurred (directly and indirectly) by the Internal Revenue Service with respect to such amounts.

Internal Revenue Service – Private Debt Collection Program
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E. Fees Retained⁴

FY 2023 Fund Activity			
	Total	COS Fund	SCPP Fund
			Total
FY 2022 Carryover	\$218,621,439	\$53,777,293	\$164,844,146
Add: Retained Earnings Available	\$65,688,992	\$32,111,082	\$33,577,910
Retained Earnings ¹	\$60,375,769	\$30,187,884	\$30,187,884
FY 2022 Sequestration Returned ²	\$8,754,642	\$3,643,907	\$5,110,735
FY 2023 Sequestration ²	(\$3,441,419)	(\$1,720,709)	(\$1,720,709)
Add: Recoveries of Unpaid Prior Year Obligation²	\$553,355	\$0	\$553,355
Less: FY 2023 Total Fund Expenditures²	\$43,408,081	\$20,173,899	\$23,234,181
PCA Commissions	\$20,173,899	\$20,173,899	
Labor	\$13,237,424		\$13,237,424
Travel	\$337,176		\$337,176
Training	\$21,176		\$21,176
Print & Postage	\$378,576		\$378,576
Contract	\$186,974		\$186,974
Supplies and Services	\$3,223		\$3,223
Background Investigations	\$0		\$0
IT Equipment	\$0		\$0
Reobligation of Recoveries	\$553,355		\$553,355
Indirect	\$8,516,278		\$8,516,278
FY 2023 Carryforward	\$241,455,705	\$65,714,476	\$175,741,229

¹Source: Chief Financial Officer (CFO): Retained Earnings and Commissions are through the reporting cycle ending December 15, 2022. Indirect cost is calculated by applying the overhead rate (62.50%) to direct PDC Expenses.

²Source: SB/SE Finance: Sequestration is 5.7% of retained earnings. Sequestered funds become available in future years. Costs are through December 31, 2022 as they are incurred and will differ from the SF-133 (i.e. indirect costs).

⁴ IRC 6306(j)(1)(D)—The amount of fees retained by the Secretary under subsection (e) and a description of the use of such funds.