

## Completed Audit Hour Analysis

### Last Four Quarters

	<u>3/12</u>	<u>6/12</u>	<u>9/12</u>	<u>12/12</u>	<u>Total</u>
<b>Income Tax</b> <u>Total Audits</u>	2	2	2	3	9
Total States <u>Audited</u>	54	77	65	85	281
Total <u>Hours</u>	5064	6873	5331	7505	24773
<b>Average Hours</b> <b>Per State</b>	<b>94</b>	<b>89</b>	<b>82</b>	<b>88</b>	<b>88</b>
<b>Sales Tax</b> <u>Total Audits</u>	1	1	2	3	7
Total States <u>Audited</u>	14	12	24	35	85
Total <u>Hours</u>	565	859	2264	2186	5874
<b>Average Hours</b> <b>Per State</b>	<b>40</b>	<b>72</b>	<b>94</b>	<b>62</b>	<b>69</b>
<b>Total Both Taxes</b> <u>Total Audits</u>	3	3	4	6	16
Total States <u>Audited</u>	68	89	89	120	366
Total <u>Hours</u>	5629	7732	7595	9691	30647
<b>Average Hours</b> <b>Per State</b>	<b>83</b>	<b>87</b>	<b>85</b>	<b>81</b>	<b>84</b>

**AUDIT HOURS WORKED****PER QUARTER**

	3/12	6/12	9/12	12/12	Total
<b>Income Tax Total</b>					
Audits in Process	21	20	23	20	N/A
Total State Returns Under Audit	307	240	330	280	N/A
Total Income Audit Hours per Quarter	3835	4117	4127	4155	16234
<b>Sales Tax Total</b>					
Audits in Process	30	32	32	31	N/A
Total State Returns Under Audit	385	357	341	328	N/A
Total Sales Audit Hours per Quarter	2019	2633	2591	2183	9426
<b>Total Both Taxes</b>					
Audits in Process	51	52	55	51	N/A
Total State Returns Under Audit	692	597	671	608	N/A
Total Audit Hours Both Taxes	5854	6750	6718	6338	25660

**TRENDS IN PRODUCTIVITY  
MTC JOINT AUDIT PROGRAM  
AUDIT HOUR ANALYSIS 6/96- 6/12**

	6/96	6/97	6/98	6/99	6/00	6/01	6/02	6/03	6/04	6/05	6/06	6/07	6/08	6/09	6/10	6/11	6/12
Income Tax Total Audits	9	10	9	7	10	8	7	8	7	7	9	7	7	3	6	6	4
Total States Audited	111	152	120	186	251	131	166	165	266	196	175	141	209	79	152	309	131
Total Hours	7548	12249	10012	10060	13133	8684	9396	10556	12012	12617	12514	9361	17570	6440	10445	25649	11937
<b>Average Hours Per State</b>	<b>68</b>	<b>81</b>	<b>83</b>	<b>55</b>	<b>52</b>	<b>66</b>	<b>57</b>	<b>64</b>	<b>45</b>	<b>64</b>	<b>72</b>	<b>66</b>	<b>84</b>	<b>81</b>	<b>69</b>	<b>83</b>	<b>91</b>
Sales Tax Total Audits	13	14	10	16	11	14	13	11	10	11	6	15	9	10	12	5	5
Total States Audited	123	143	97	184	102	158	159	145	154	160	77	187	97	120	147	65	59
Total Hours	9746	11349	7721	7438	9062	11900	8850	8792	10943	6133	4946	13296	7818	7265	10772	7200	5000
<b>Average Hours Per State</b>	<b>79</b>	<b>79</b>	<b>80</b>	<b>40</b>	<b>89</b>	<b>75</b>	<b>56</b>	<b>61</b>	<b>71</b>	<b>38</b>	<b>64</b>	<b>71</b>	<b>80</b>	<b>61</b>	<b>73</b>	<b>110</b>	<b>85</b>
Total Both Taxes Total Audits	22	24	19	23	21	22	20	19	17	18	15	22	16	13	18	11	9
Total States Audited	234	295	217	370	353	289	325	310	420	336	252	328	306	199	299	374	190
Total Hours	17294	23598	17733	17498	22195	20584	18246	19348	22955	18750	17460	22657	25388	13705	21217	32849	16937
<b>Average Hours Per State</b>	<b>74</b>	<b>80</b>	<b>82</b>	<b>48</b>	<b>63</b>	<b>71</b>	<b>56</b>	<b>62</b>	<b>55</b>	<b>56</b>	<b>70</b>	<b>69</b>	<b>83</b>	<b>69</b>	<b>71</b>	<b>88</b>	<b>89</b>

**Note: Change in policy occurred in 6/07. Audits are submitted on state by state basis rather than when entire audit is concluded. Audits are shown on this schedule when entire audit is completed. This results in a one year gap in completed audits for this reporting purpose in income tax.**