

INTERNAL REVENUE SERVICE



Fiscal Year 2025
LAPSED APPROPRIATIONS CONTINGENCY PLAN

3/14/2025

IRS SERVICEWIDE SUMMARY OF SHUTDOWN IMPACT

IRS FY2025 Lapse Appropriations Contingency Plan

Section 10301 of the Inflation Reduction Act, Pub. L. 117-169, provided supplemental appropriations available through September 30, 2031, for all IRS appropriations accounts. With this funding the IRS will not experience a lapse in appropriations on March 14, 2025, and normal IRS operations will continue.

This FY2025 IRS Shutdown Contingency Plan reflects the following totals who are designated as “exempt” and would be retained in the case of a lapse shutdown.

Filing Season – 95,486 employees (100% of the total employee population of 95,486 as of 03/5/25)

Lapse Plan Summary Overview	Non-Filing Season 10-01-2024 to 12-31-2024 and 05-01-2025 to 09-30-2025	Filing Season 01-01-2025 to 04-30-2025
Estimated time (to nearest half day) required to complete shutdown activities:	Up to half a workday	Up to half a workday
Total number of agency employees expected to be on board before implementation of the plan:	N/A	95,486 (as of 03/05/25)
Total number of employees to be retained under the plan for each of the following categories:		
A1 - Compensation is financed by a resource other than annual appropriations:	0	95,486
A2 - Necessary to perform activities expressly authorized by law:	0	0
A3 - Necessary to perform activities necessarily implied by law:	0	0
Necessary to the discharge of the President's constitutional duties and powers:	0	0
B - Necessary to protect life and property:	0	0
C - Employees performing shutdown actives > ½ day	0	0
Category A1:		
<ul style="list-style-type: none"> • Operations will continue with IRA funds 		

OVERVIEW

The IRS Lapse in Appropriations Contingency Plan describes actions and activities for the first five (5) business days following a lapse in appropriations. The plan is updated annually in accordance with guidance from the Office of Management and Budget (OMB) and the Department of Treasury. While we do not anticipate using the plan, prudent management requires that agencies prepare for this contingency.

PURPOSE

This Plan is developed for implementation during a lapse in annual appropriations to comply with the requirements of

IRS FY2025 Lapse Appropriations Contingency Plan

the Anti-Deficiency Act, 31 U.S.C. §§ 1341 and 1342. The Act prohibits agencies from obligating funds exceeding, or in advance of, appropriations and from employing personnel during a lapse in appropriations except as described below.

During a lapse, the IRS may continue certain activities that fall under established exceptions to the Anti-Deficiency Act.

A. Exempt Activities

Category A: Authorized by Law and Funded

Exempt activities in this category include those authorized by law and those funded by multi-year, no-year, and revolving funds or advance appropriations that would not be affected by a lapse in an annual appropriation. Revolving funds that operate almost entirely on offsetting collections from other Federal entities may be forced to close, unless sufficient retained earnings are available to forestall shutdown. Certain activities could be implicitly authorized because of their connection with other operations that are excepted or for which funds otherwise continue to be available. The following are Plan distinctions under Category A:

→ **Category A1 (Exempt)** – Operations will continue with IRA funds.

IRS FY2025 Lapsed Appropriations Contingency Plan

IRS EXEMPT POSITION TOTALS

Office of the Commissioner	Non-Filing Season (NF)					Filing Season (FS)				
	A1	A3	B	C	Total	A1	A3	B	C	Total
Commissioner: HQ, Chief Risk Officer, Enterprise Case Management, and Enterprise Digitization, Taxpayer Experience Office, Trans Strat, Chief Risk, Direct File						489				489
-Appeals						1,683				1,683
-Chief Financial Officer						570				570
-Chief Counsel						2,725				2,725
-C&L						346				346
-Criminal Investigations						3,481				3,481
-OCRC						176				176
-FMSS						1,108				1,108
-HCO						2,857				2,857
-IT						8,461				8,461
-LB&I						5,452				5,452
-OPR						20				20
-OLS						189				189
-PGLD						665				665
-PROC						561				561
-RAAS						554				554
-RPO						116				116
-SBSE						20,206				20,206
-TAS						1,969				1,969
-TEGE						1,659				1,659
-Taxpayer Service						42,107				42,107

IRS FY2025 Lapsed Appropriations Contingency Plan

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Total # positions										

TOTAL # EXEMPT POSITIONS

						95,486				95,486
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EXCEPTED POSITION SUMMARY

Total # exempt positions										95,486
Percentage of employees										100%
Total IRS Workforce (On-rolls March 5, 2025)										95,486

95,064 pay status

424 non-pay status

95,486 total

