

Tax Department Overview

Gregg Mousley, Deputy Commissioner
Vermont Department of Taxes

The Vermont Department of Taxes

Commissioner

Taxpayer
Services

Compliance

PVR

Legal

Finance

Information
Systems

POLA

Income

Collections

Current Use

Returns
Processing

Policy

Corporate

Audit

PTT

Accounting

Outreach

Business

District
Advisors

Data

Misc

Tax Season Update

- Tax season opened for both federal and state filing on Jan. 20
- For first time, efile of Corp and Business Tax available
- Forms will be available online, or by request only (this is the same policy as last year)
- E-filing continues to grow in popularity for Vermonters – 78% of all filers file their taxes electronically
- Call Center Hours:
 - Monday, Tuesday, Thursday, Friday 7:45-4:30PM
 - Wednesdays staff will be processing returns and refunds (all other lines remain open)

Delinquent Taxpayers List



In an effort for further tax fairness, Act 174 of 2014 granted the Department permission to publish the names of top 100 business and 100 individuals with the highest amounts of tax debt.

After two letters were sent notifying those who might appear on the list, the lists were published on Jan. 12, 2015.

28 other states publish lists of delinquent taxpayers – to date it has helped collect over \$720,000 in back taxes owed

Other Initiatives

- Two tax advisory boards
 - Tax Technical Working Group
 - Vermont Tax Advisory Board
- Increased use of voluntary disclosure
 - Targeted mailings on use tax
 - General initiative aimed at small businesses:
“Know What You Owe”
- Redrafting of technical bulletins
- Revising all correspondence to be user friendly

Coming Soon . . .

New Initiatives for 2015

Standard Operating Procedure for Appeals

- We are finishing a draft SOP designed to provide transparent timelines to move an appealed case along from assessment to hearing in 18 months
- Will start implementation in 2015

Audit Selection, Procedure, and Assessment

- The new IT system will give us modern tools to improve our audit processes, everything from how businesses are selected, additional opportunities for voluntary come forwards, more refined assessments
- For example, we will pilot programs where we define markers of non-compliance, and give businesses the opportunity to explain the discrepancy or come forward to clear up without penalty prior to audit

Modernized Systems

The Department has started the work towards a modernized, integrated tax system – VTax.



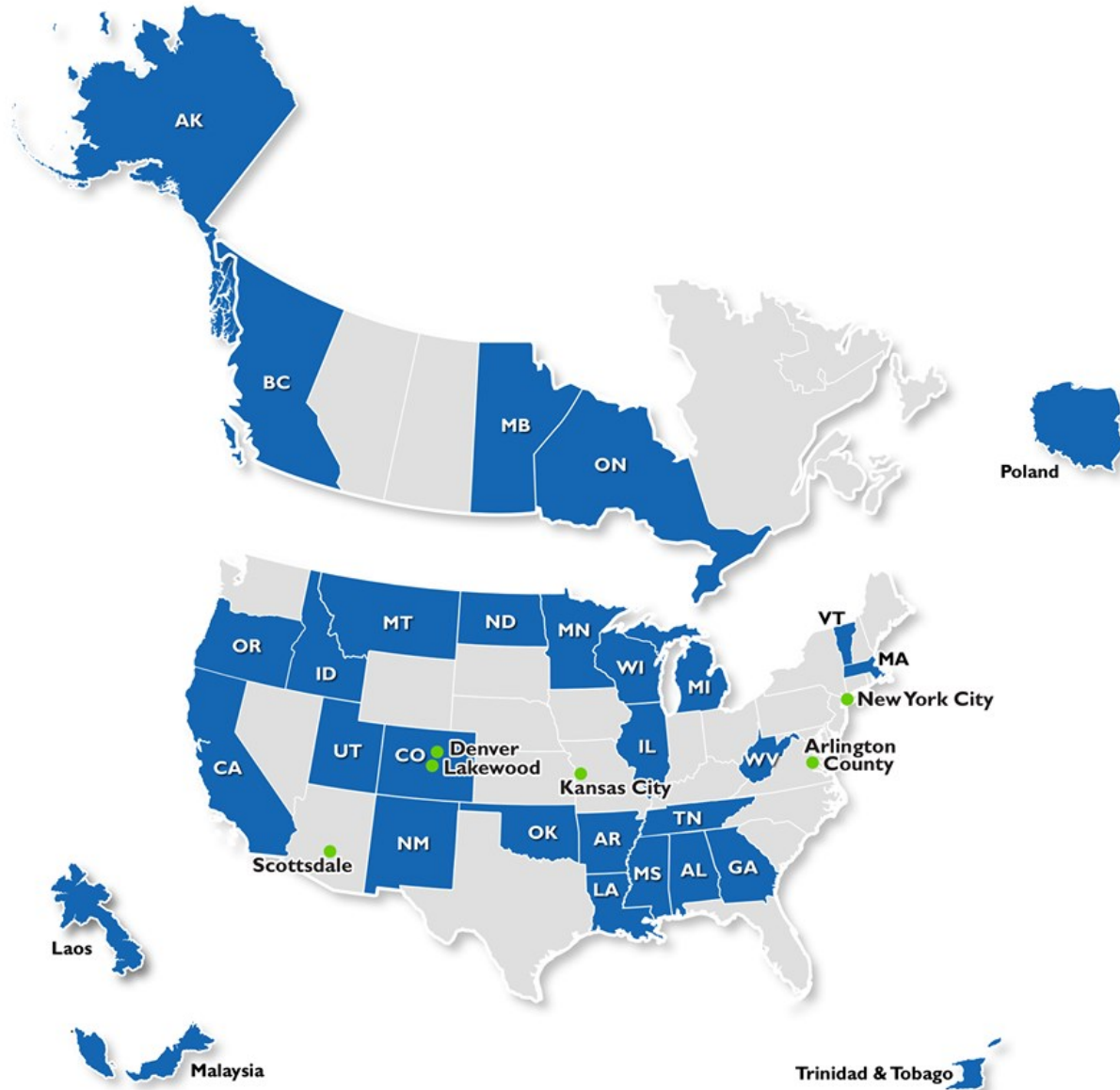
This is a 4 year, multimillion dollar project intended to integrate all of our processing. The result will be one platform for all functions (e.g., return processing, correspondence, accounting) for all tax types.

This also includes seamless online services for taxpayers.

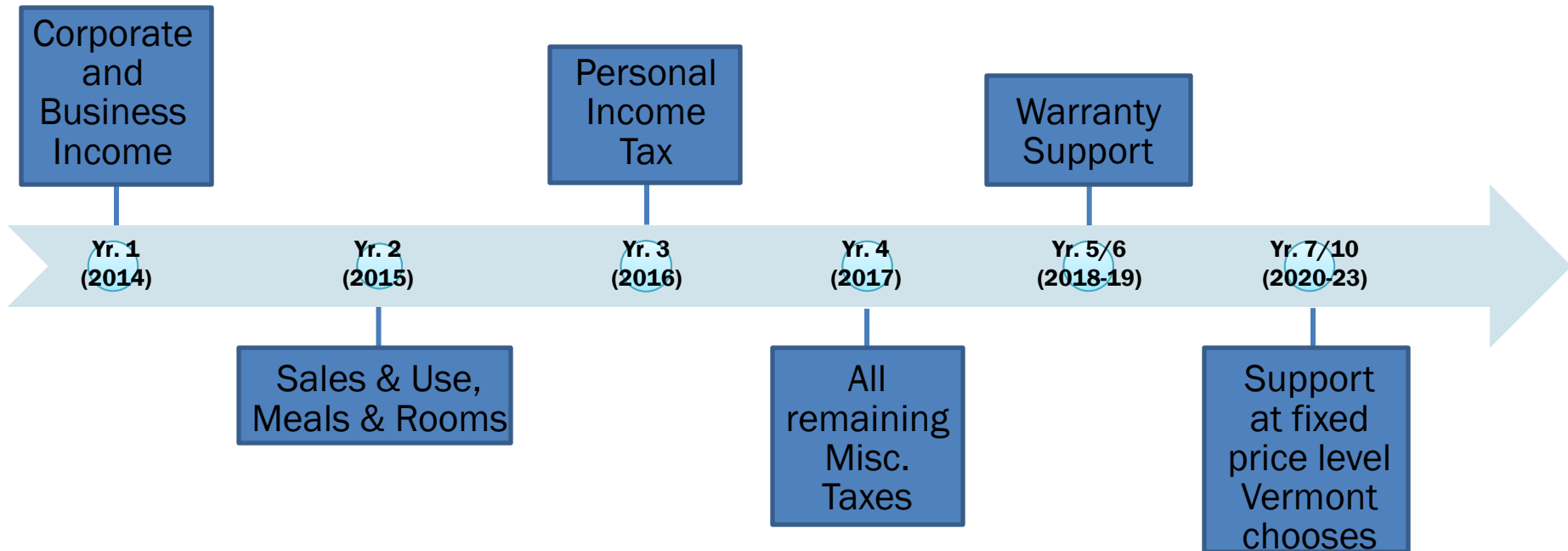
VTax will provide much improved service, making it easier and more convenient for voluntary compliance. It will also allow us to further modernize our audit techniques.

Benefits of an ITS

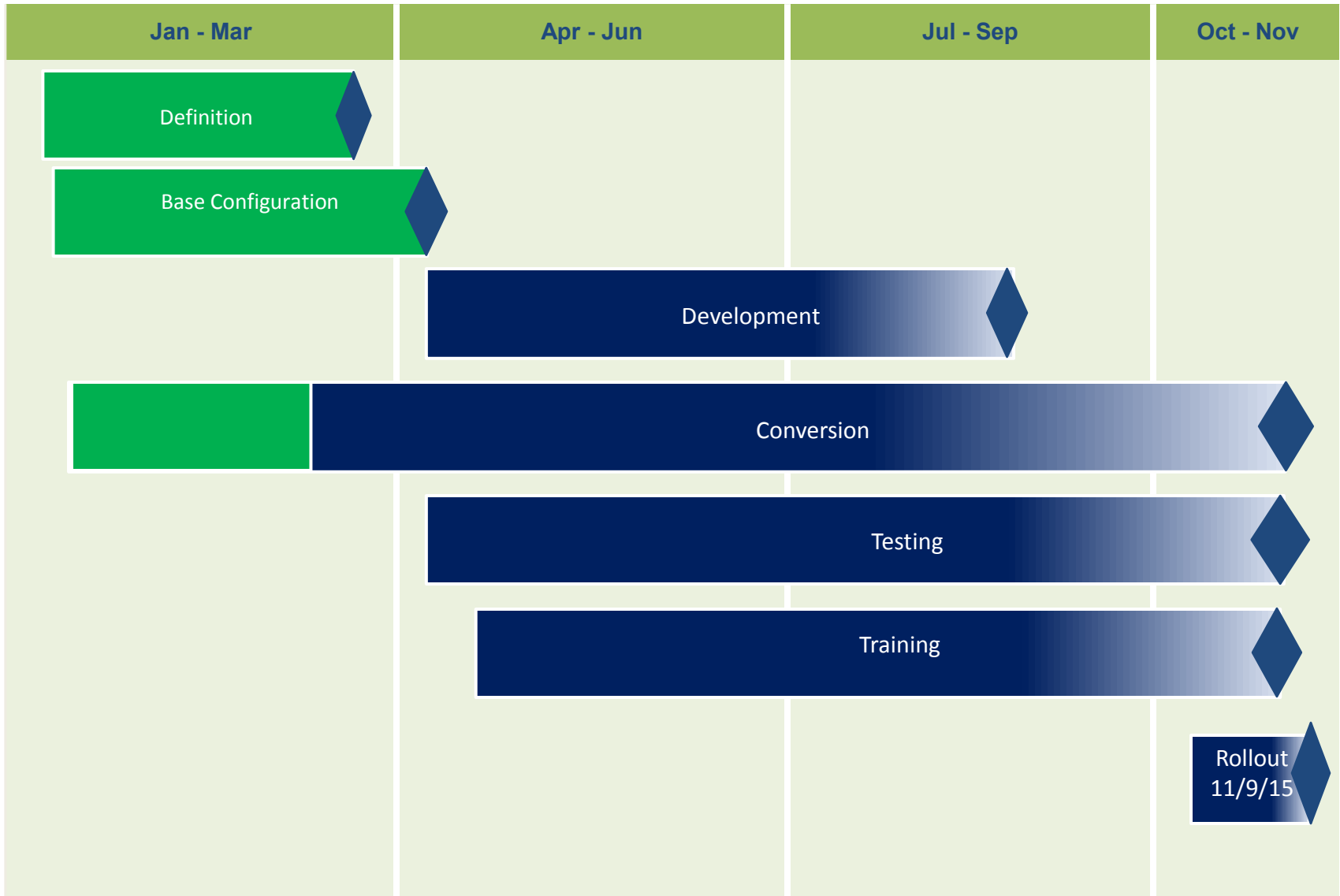
- 1 Better online services
- 2 Increase in revenue collection
- 3 Realize operational efficiencies with a single system
- 4 Minimal programming required
- 5 Chance to realize best practices
- 6 More intuitive and easily learned
- 7 One view of taxpayer
- 8 Better reporting capabilities



Timeline

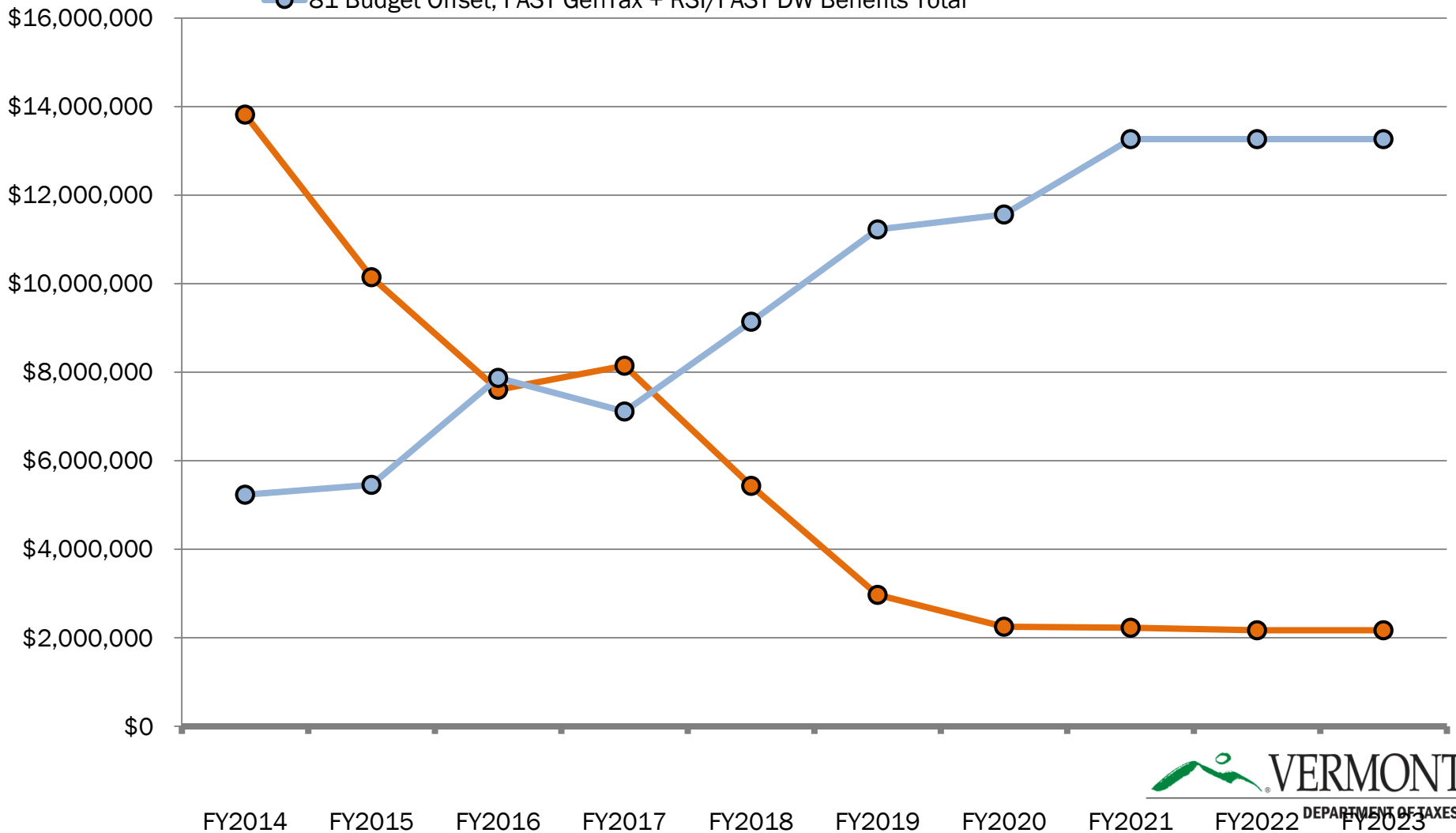


Phase 2 Activities



VTax Cost/Benefit

- 61 Total FAST Implementation and Related Systems / Services Cost (Cashflow & Accrued Bases)
- 81 Budget Offset, FAST GenTax + RSI/FAST DW Benefits Total



Tax IT cost estimates

Department of Taxes - IT Activities - Life Cycle Cost Analysis

Activity	FY15	FY16	FY17	FY18	FY19
Advantage Revenue Ongoing	422808.62	314010.18	218968.00	0.00	0.00
Business Registration Portal (SoS)	42305.96	18820.01	17465.86	17767.62	18075.42
eCurrent Use	256684.80	92907.52	92907.52	92907.52	92907.52
ETM Ongoing Maintenance and Operations	348852.76	340946.44	345837.29	0.00	0.00
IFP Ongoing Maintenance and Operations	200983.00	195012.66	197539.31	200723.02	206517.25
PVR Support	507997.55	553637.75	558252.78	562995.72	567870.20
RSI Data Warehouse	907248.52	473158.52	124257.32	88515.52	88515.52
Security Policies and Procedures	232322.40	184364.80	21091.20	21091.20	21091.20
VTax Implementation (Fast Enterprises)	8949967.44	5738502.81	5417378.41	4571611.79	4491077.40

Find more information on our website at:

tax.vermont.gov

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Contact us with any questions!

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