

State of Louisiana

Department of Revenue



Fiscal Year 2016 – 2017

House Concurrent Resolution No. 25

Operational Efficiency Incentives

Department of Revenue

House Concurrent Resolution No. 25

2016 Regular Session

HCR 25 urges and requests each department of the executive branch of state government to submit a report outlining any initiatives the department will take to ensure a more efficient operation for Fiscal Year 2016-2017 and beyond.

Below are the proposed initiatives for each office and division within the Department of Revenue.

Office of the Secretary

Internal Audit

- Increase the electronic review of documents during audits.
- Explore local training options and in-house CPE credits needed for certifications.
- Take advantage of free webinars to provide training for staff.

Charitable Gaming

- Move location from United Plaza Building to a state owned building (Estimated annual rental savings - \$156,000)

Business Services

- Reinstate Project Steering Committee Meetings (PSC's) to prioritize vital projects.
- Develop a system whereby troubleshooting production issues are prioritized by the Business Analyst to create additional operational efficiencies.

Policy Services

- Streamline processes to ensure that legislative and committee deadlines are met.
 - Develop procedure manuals
 - Provide additional training to staff
- Provide legislative updates and training to client divisions to enhance professional competency of division employees as well as department employees.

Office of Debt Recovery

Debt Recovery

- Automate SRP (state reciprocal program).
- Utilize Tax Express to capture all of its correspondence received.
- Develop an Installment Agreement Solution to eliminate the need for manual processing.
- Implement bar code technology to eliminate manually entering returned mail when returned.
- Integrate automated skip-tracing within RevQ (ODR Tracking System) to eliminate returned mail.
- Automate Financial Institution Data Match Program, currently manual process.

The above items either free-up resources or make existing processes more efficient for the debtor.

Office of Tax Administration – Group I

Customer Service / Call Center

- Cross train agents within the division to allow resources to be deployed in the work area with the most volume. In addition, cross train on job functions within Group 1 (Collection & Business Enforcement).
- Create an Employee Situation Review Task Force. The group will be made up of “front line” employees from all divisions. They will periodically meet to discuss job functions,

procedural processes, current work volume trends, and make realistic recommendations for changes that improve efficiencies and customer service.

- Create a checklist that taxpayers can download prior to visiting the department. These checklists will help the taxpayer ensure they have all the necessary information to complete their visit in the most efficient manner.
- Add individual income tax to LaTAP (Louisiana Taxpayer Access Point)
 - If the LaTAP upgrade is not feasible then create a self-service web application that will allow taxpayers to enter into an installment agreement with the department.

Collections / Business Enforcement

- Automate Garnishments - Automating this process will increase and streamline the garnishment process.
- Automate Levies - Currently, all bank levies are manually generated. Automating this process will reduce the number of blanket levy letters generated.
- Go paperless; use e signature. No paper, equipment, printer ink cost.
- Create a combined return/receipt that can be processed by the Revenue Processing Center and allow for streamlined collection of tax in the field.
- Create an electronic process for boat clearances. Decrease the time frame a taxpayer has to wait for an approval from Wildlife and Fisheries to put a boat in Louisiana waters.
- Automate Fed/State Match - Currently, we are manually linking letter ids to the account. Automating this process will allow for a more efficient creation of estimates and proposed assessments.

Office of Tax Administration – Group II

Agency Compliance

- Use IRS provided forms and templates to the extent possible to eliminate the need for reformatting.

- Explore reducing core disclosure/security awareness training time by 10 – 40 minutes per employee (760 employees = savings agency-wide of 125 – 500 hours that could go toward other duties).
- Reduce professional memberships and utilize “free” webinars, journals, and CPE quizzes for professional development training.

Criminal Investigations

- Seek access to additional data from other agencies, i.e., employee data through the Louisiana Workforce Commission; inmate data through the Louisiana Department of Public Safety and Corrections, etc., which can be accessed via the Fraud Manager. This will enable the Fraud Manager to include such data when performing its analytics resulting in a more robust system.
- Continue expansion of the Fraud Manager into the Department’s integrated tax system (Delta) to increase analytic capabilities.
- Enhance investigative procedures that will provide a quick assessment of prosecutorial potential of each file with more focus to be applied to those having more potential for prosecution, which will allow more timely resolution of cases.

Taxpayer Compliance – Income

- Implement procedures to prioritize refund approvals by dollar amount to reduce interest expense.
- Cross-train additional staff on Fiduciary tax to eliminate backlog related to conversion of fiduciary tax into the integrated tax system, Delta.
- Update procedures and consolidate into a current desk resource manual that will allow specialist to review returns and refunds more efficiently.
- Update letters to improve and standardize messaging to taxpayers.
- Provide staff training for legislative changes prior to the start of filing season.
- Work with IT to develop new methods and reports to measure ROI, workloads and productivity.

Taxpayer Compliance – Sales, Severance, Excise, Miscellaneous

- Increase cross training within tax units and if applicable across division in order to address backlogs where limited resources exist.
- Continue to develop training modules to educate staff with respect to legislative and process changes.
- Implement a formal “information sharing” meeting with Audit Intelligence and Field Audit on a quarterly or bi-annual basis with respect to Economic Incentives.

Tax Administration

- Decrease the cost associated with tax forms and improve the processing of tax returns and payments through:
 - Modernizing the forms management process:
 - Provide a quicker turnaround time on vendor approval of substitute tax returns (returns printed through software) by cross training.
 - Review and develop as necessary substitute forms for other taxes.
 - Provide and encourage electronic filing.
 - Reduce the costs associated with the printing of tax returns:
 - Review options to decrease the number of declaration vouchers that are preprinted. Decrease will be achieved by reviewing how payments are made and developing an alternative notice for those paying electronically or using substitute forms.
 - Review options to improve the printing process for the sales tax return. Look at savings of having one vendor print the return and instructions and mail to the taxpayers. Currently the return, instructions and envelope come from different vendors and LDR stuffs the envelopes and mails the returns.
- Review process of providing returns to newly registered businesses (revise the letter to encourage electronic filing instead of mailing the returns).

Office of Tax Administration – Group III

Audit Intelligence

- Continue the emphasis on data analytics to identify accounts that warrant further review in a continued effort to increase the number of accounts reviewed annually and increase voluntary compliance.
- Continue to request the automation of processes that easily lend themselves to such in order to decrease the manual work load.

Field Audit Excise Tax

- Revamp mandatory training to be more relative to our jobs within the agency to improve operational efficiency within the division.

Field Audit Income Tax

- Reduce Administrative Travel (Monthly Group Meetings, Training Sessions, Checking Mail)
- Strategically select Out of State Audit Trips
- Reduce Amount of MIFI's issued (i.e. the current cost of MIFI service is approximately \$50, since most employees have WIFI at home, collect the MIFI's and provide a stipend for employees to use their own Internet and allow each supervisor one MIFI for each group which is to be used on Audit Trips)
- Reduce Out of State Audit Trip Days

Field Audit Sales Tax

- Increase the use of electronic data in lieu of on-site reviews
- Implement greater efficiencies in planning any necessary trips through pre-audit investigations, including receiving and reviewing preliminary information before making an audit trip.

Office of Management & Finance

Human Resources

- Utilize additional functions of the E-PAR program to manage all personnel actions(eliminate paper, easier tracking, reduce follow up)
- Utilize electronic onboarding in LaGov to create less paper, faster employee set up, LEO transcript record which is electronic- no paper and no paper to file and maintain.
- Utilize OHC and Neo which provides for electronic review of applications. Easier to review applications, reduced HR actions, less paper.
- Complete final migration of Revenue Academy training to LEO.

Revenue Processing Center

- Utilize new functionality within the GENTAX Software, which is the agency's integrated tax administration system. By utilizing this feature for research, we will increase the efficiency of our staff by utilizing a feature that is embedded in our software. In addition, this will reduce the costs of using an external system that is transaction based.

Office of Alcohol Tobacco Control

- Move location from United Plaza Building to a state owned building (Estimated annual rental savings - \$56,000)

Enforcement

- Implement additional training using CPTP and onsite classwork to ensure all agents and staff members are well versed with current policies and procedures.
- Appoint field training officer to be responsible for training agents in proper procedures.
- Conduct quarterly coordination sessions to ensure consistency in enforcement activities.

Business Development

- Streamline permitting process through a review where non-efficient steps are eliminated.

- Increase services offered on line and add additional functionality to ensure a customer focused user experience.
- Increase cooperation between the agency and special event coordinators and providing more concise information in the special event applications to reduce permitting delays.