Department of Revenue

	FY 2010 ACTUAL	FY 2011 ESTIMATE	FY 2012 APPROVED
OPERATING BUDGET			
Full Time Equivalent Positions	873.0	935.0	935.0 1/
Personal Services	25,919,600	32,828,400	32,828,400
Employee Related Expenditures	9,196,500	13,095,800	14,400,600
Professional and Outside Services	2,815,700	3,007,600	3,007,600
Travel - In State	207,100	304,600	304,600
Travel - Out of State	67,600	422,500	422,500
Other Operating Expenditures	10,113,300	7,897,400	5,845,400
Equipment	823,600	627,100	627,100
OPERATING SUBTOTAL	**49,143,400**	**58,183,400**	**57,436,200**
SPECIAL LINE ITEMS			
BRITS Operational Support	3,623,600	5,571,400	5,632,000
Temporary Collectors	3,000,000	2,897,400	2,873,200 2/
Unclaimed Property Administration and Audit	2,110,900	1,770,000	1,770,000 3/
AGENCY TOTAL	**57,877,900**	**68,422,200**	**67,711,400** 4/5/6/
FUND SOURCES			
General Fund	37,515,700	43,497,600	44,129,600
Other Appropriated Funds			
Department of Revenue Administrative Fund	19,336,400	23,862,500	22,532,600
Liability Setoff Fund	358,600	388,900	383,800
Tobacco Tax and Health Care Fund	667,200	673,200	665,400
SUBTOTAL - Other Appropriated Funds	20,362,200	24,924,600	23,581,800
SUBTOTAL - Appropriated Funds	**57,877,900**	**68,422,200**	**67,711,400**
Other Non-Appropriated Funds	24,362,900	18,130,000	19,030,000
TOTAL - ALL SOURCES	82,240,800	86,552,200	86,741,400

AGENCY DESCRIPTION — The Department of Revenue (DOR) administers and enforces the collection of personal and corporate income, sales, withholding, luxury and estate taxes. The department administers state property tax laws through the 15 county assessors. The department does not collect transportation related fees and taxes, nor the insurance premium tax.

Operating Budget

The budget includes $57,436,200 and 897 FTE Positions in FY 2012 for the operating budget. These amounts consist of:

	FY 2012
General Fund	$35,624,400
DOR Administrative Fund	20,762,600
Liability Setoff Fund	383,800
Tobacco Tax and Health Care Fund	665,400

These amounts fund the following adjustments:

Eliminate One-Time Funding

The budget includes a decrease of $(1,200,000) from the DOR Administrative Fund in FY 2012 to eliminate one-time

1/ Includes 38 GF FTE Positions funded from Special Line Items in FY 2012.

2/ The $2,873,200 appropriated from the State General Fund for Temporary Collectors is to collect established debt. The department shall report its results to the Joint Legislative Budget Committee on or before January 31, 2012. (General Appropriations Act footnote, as adjusted for statewide allocations)

3/ If 12.5% of the total dollar value of properties recovered by unclaimed property contract auditors exceeds $1,770,000, the excess amount shall be transferred from the State General Fund to the DOR Administrative Fund and appropriated to the department for contract auditor fees. (General Appropriation Act footnote)

4/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

5/ The department shall report the department's General Fund revenue enforcement goals for FY 2012 to the Joint Legislative Budget Committee by July 31, 2011. The department shall provide an annual progress report to the Joint Legislative Budget Committee as to the effectiveness of the department's overall Enforcement and Collections Program for FY 2012 by July 31, 2012. The reports shall include a comparison of projected and actual General Fund revenue enforcement collections for FY 2012. (General Appropriation Act footnote)

6/ In addition to these amounts, a total of $1,106,700 GF and $531,700 OF is appropriated in FY 2012 for costs associated with an additional pay period. *(Please see the Agency Detail and Allocations section.)*

FY 2011 supplemental funding associated with increased expenditures. Laws 2011, Chapter 24 appropriated $1,200,000 as a FY 2011 supplemental to pay for upgrades to the department's accounting system known as the Agency Information Management System.

Statewide Adjustments

The budget includes an increase of $452,800 in FY 2012 for statewide adjustments. This amount consists of:

General Fund	595,600
DOR Administrative Fund	(129,900)
Liability Setoff Fund	(5,100)
Tobacco Tax and Health Care Fund	(7,800)

(Please see the Agency Detail and Allocations section.)

Business Reengineering/Integrated Tax System (BRITS) Operational Support

The budget includes $5,632,000 and 38 FTE Positions from the General Fund in FY 2012 for operational support of BRITS. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes an increase of $60,600 from the General Fund in FY 2012 for statewide adjustments.

Monies in this line item are used for annual server and printer replacement costs, increased BRITS data storage requirements, and information technology personnel to operate and maintain the BRITS system.

Temporary Collectors

The budget includes $2,873,200 from the General Fund in FY 2012 for Temporary Collectors. This amount funds the following adjustment:

Statewide Adjustments

The budget includes a decrease of $(24,200) from the General Fund in FY 2012 for statewide adjustments.

Monies in this line item are used to hire temporary collectors to assist in the collection of already established debt.

Unclaimed Property Administration and Audit

The budget includes $1,770,000 from the DOR Administrative Fund in FY 2012 for Unclaimed Property Administration and Audit. This amount is unchanged from FY 2011.

Monies in this line item are used for the administrative costs of unclaimed or abandoned property. Contract auditors retain 12.5% of the dollar value of properties they recover. This amount is currently estimated at $1,770,000.

Fund Transfers

The budget includes transfers from this agency's funds to the General Fund. *(Please see the Fund Transfers section at the back of this report for more details.)*

Additional Legislation

Removal of DOR Administrative Fund Non-Lapsing

The Revenue Budget Reconciliation Bill (Laws 2011, Chapter 28) removes the non-lapsing provision from the DOR Administrative Fund. Monies unexpended at the end of the fiscal year will revert to the DOR Administrative Fund balance, and will not be available for agency use without further appropriation.