

**AGENCY PERFORMANCE PLAN
FY 2014**

July, 2013

Name of Agency: Iowa Department of Revenue			
Agency Mission: To serve Iowans and to support government services in Iowa by collecting all taxes required by law, but no more.			
Core Function	Outcome Measure(s)	Outcome Target(s)	Link to Strategic Plan Goal(s)
CF: Local Government Assistance			
Provide services or funding to local entities. This would include property tax appraisal and equalization functions, property tax relief, as well as other types of financial assistance to local governments not tied to the provision of services. (43)			
Desired Outcome(s):			
Provide comprehensive and timely education, service, and enforcement programs to property tax officials and property taxpayers of Iowa that will result in fair and equitable property assessments.	Percent of jurisdictions within statutory assessment level tolerance. (625_43_001)	Equalization orders issued on or about Aug 15 th .	Improve assessment processes to provide timely & accurate services to our customers in local government, and to provide a fair & equitable property tax program.
Provide assessed values and replacement tax liabilities to county auditors based on appraisals of railroads and utilities and generation, transmission, and delivery of electricity and natural gas	Percent of assessments completed in a timely manner.	100% By October 31 st .	Improve assessment processes to provide timely & accurate services to our customers in local government, and to provide a fair & equitable property tax program.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Property Tax Division (PT05) (625_43101)			
A. Equalization	Percent of required appraisals completed. (625-43101-014)	100%	Complete 12 appraisals in all counties with less than 10 sales for commercial property and provide to assessors by January 1 st .
	Percent of residential and commercial jurisdictions meeting equalization requirements. (625-43101-015)	Equalization orders result in median ratio of 95% to 105%.	Review of all abstracts and sales ratio processing including issuance of equalization orders by August 15 th of each equalization year. All residential and commercial equalization orders compliant with statutory requirement 441.47.
	Percent of agricultural equalization orders complaint with statutory requirements. (625-43101-016)	Equalization orders result in productivity valuation ratio of 95% to 105%.	Review of all abstracts and productivity valuation ratios including issuance of equalization orders by August 15 th of each equalization year. All agricultural equalization orders compliant with statutory requirement 441.47.

A. Equalization	Percent of assessing offices in compliance. (625_43101_017)	100% of assessing offices within the state of Iowa shall use the 2008 manual for assessments.	<p>Review all assessing offices use of the Iowa Education Manual and promote use of the most current Iowa manual. Assist offices where necessary in implementation.</p> <p>Continue transition of paper processing over next 2 years to digital process. Provide preliminary and final sales listing to assessing office by December 1st and May 1st.</p>
B. e-Dov Project		Begin testing images by August 1, 2013. Begin testing receipt of xml by December 2013.	<p>Continue collaborative work with PT Exam staff on requirements document as well as use and test cases. Plan for ongoing testing as well as application development all during 2012 and through July 2013.</p> <p>Provide roll out plan for Recorders and Auditors by January 2014. Results in reducing support requirements of data processing staff.</p> <p>Automate the collection of DOV and associated information from counties through image and xml submission.</p>
C. Assessor Education	Percentage of assessors meeting continuing education requirements. (625_43101_010)	100% notification (214) by August 31, 2013 and January 31, 2014.	<p>Enhance the education plan for property tax division. Broaden the educational opportunities for assessment officials by improving ties with IAAO and by broadening types of courses approved for Deputy and Assessor credits.</p> <p>Expand training opportunities for GIS and digital solutions.</p> <p>Develop courses specific to needs determined through assessor and taxpayer questions. Hold exams and notify assessors with results by November and May.</p>

B. Administer replacement tax; excise tax on generating plants for kWh generated and on electric and gas distribution companies for electricity and natural gas deliveries to consumers.	Percent of replacement tax assessments completed by the due date. (625_43101_004)	Assessments (189) due before October 31, 2013	Improve property tax assessment processes to provide timely and accurate services to our customers in local government.
C. Telecommunications		Implement SF 295 provisions applicable to telecommunications companies by July 2014.	Survey other states for information in regard to their methodologies of taxation for telecommunications. Work to create level playing field for all providers of communications through principled approach. Provide ongoing data analysis as requested by Director and or legislature in regard to cellular communications. Review methods of valuation for accuracy and appraisal practice support. Review existing practices for inconsistencies or need for internal review. Develop database structure to accommodate SF 295 language as well as process for reporting to DOM.
Local Option Taxes			
A. Distribute local option taxes	Percent of local option sales tax and SAVE timely distributed each year. (625_43102_022)	95% of LOST and SAVE tax will be distributed on a monthly basis during the year.	
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Property Assessment Appeal Board (PA05) (625_43102)			
A. Hear protests of decisions made/reached by a local board of review on assessments, valuation, or application of equalization orders.	Number of Protests from Board of Review. (625_43102_001)	350 protests in reassessment years and 50 protests in non-reassessment years.	Educate external customers regarding the assessment appeal process.
B. Render a decision on the appeal.	Percent of appeals resolved by due date. (625_43102_002)	90% of the decisions prior to properties' second delinquency date.	Establish a uniform docket system to timely process appeals.

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CF: Research, Analysis and Information Management.			
Provides relevant information and technical services in a timely manner to customers, stakeholders, and policy makers to help make informed decisions. Activities may include collection, analysis, management, interpretation, and dissemination of information. (64)			
Research and Analysis Division (TR03) (625_64101)			
Tax Research: Desired Outcomes:			
To provide analysis of proposed legislation, analysis of tax revenues and refunds, analysis of tax policy issues, and statistical reports to the Governor, Legislators, other State government departments, local governments, and general public so that they may make more informed decisions when preparing budgets and proposing changes to state laws. The section also provides program analysis for other agencies such as: EITC Claims reports for DHS.			Provide superior customer service through the timely production of estimates, reports, and studies, including accurate, clear, and concise tax information for taxpayers, Legislators, and the Governor. Improve the accessibility to this information through the use of modern technology.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
A. Statistical Reports		Individual Income Tax-School District Report – March 1 st ; Low Income Report-May 1 st ; Individual Income Tax Report- June 1 st ; Quarterly Sales Tax Report-Month after receipt of final corrected file; Fiscal Year Annual Sales Tax Report-Published in the first quarter of next fiscal year; Annual Motor Fuel Gallons Report- April 1 st ; Dependent Health Care Coverage -January 1 st .	Review and revise quarterly and annual statistical reports and the programs used to generate these reports. Identify and evaluate alternatives for generating and disseminating reports. Develop web based means for making tax statistics available to the public working with the Iowa transparency portal. Continue working on providing more retail sales and county specific data to the public.

B. Receipts and Refunds Report	Percent of receipts and refund reports completed timely. (625_64101_002)	Complete 100% of monthly reports by the end of the second business day of the next month.	Review and update procedures for monitoring and reporting on tax receipts and refunds, and improve presentation of the information.
C. REC Briefing Papers		Provide useful information in advance of the DOM-LSA briefing session.	Research factors influencing state tax revenues, refunds, and tax credit claims to improve revenue and refund estimates.
D. Iowa Leading Indicators Index		Release report and discussion memo timely each month.	Provide policy makers with a tool that signals economic turning points. Complete annual update of index and annually assess usefulness and accuracy of ILII signals by September 1 st .
E. State Fiscal Impact Estimates	Percent of state fiscal impact estimates completed timely. (625_64101_003)	Meet priorities for completion set by the Governor and the Legislature.	Develop and enhance models for analyzing State tax legislation.
F. Local Option Sales Tax Estimates	Percent of jurisdictions' initial distribution estimates within 10% of target distributions (95% of actual collections). Percent of revised jurisdictions' distribution estimates within 5% of target distributions (95% of actual collections).	90% of jurisdictions' initial distribution estimates will be within 10% of target distributions (95% of actual collections). 90% of jurisdictions' revised distribution estimates will be within 5% of target distributions (95% of actual collections).	Review and improve analysis and estimation procedures to ensure school districts receive the appropriate amounts of LOST transfers each quarter during the fiscal year.
G. Tax Credit Evaluation Studies	.	Complete written studies by the start of the 2014 Legislative session.	Work to enhance staff knowledge in all areas of federal and State tax policy. Organize advisory panel for each study comprised of members from other State agencies, academics, and other stakeholders to ensure completion of thorough and unbiased analysis. Provide presentations for Legislative Tax Expenditure Committee as requested.

H. Tax Credits Tracking and Analysis Program		Complete Tax Credit Claims Report by June 1 st . Early 2014.	Release Contingent Liabilities Report four times a year to provide basis for better decision making and better revenue estimates. Thorough presentation of tax credit claims by tax year and tax type. Complete Tax Expenditure Study including fiscal estimates of State Tax Expenditures for individual income and corporate income. Expand coverage of estimates from the 2005 study and make findings more accessible via the internet.
Performance Analysis			
Desired Outcome(s):			
Provide performance measures that align the Department's resources, systems, and employees to meet strategic goals and priorities.			
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
			Work collaboratively with senior management to identify goals and priorities. Collect and analyze data and present statistical evidence that measures the Department's progress toward meetings it goals.

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CF: Resource Management Provides vital infrastructure needs necessary to administer and support agency operations. Key activities may include financial and personnel services such as payroll, accounting and budget; purchasing of goods and services; media management; information technology enhancement, management and support; staff development; leadership; planning; policy development; and maintenance of physical infrastructure. (67)			
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Process Improvement and Innovations Division (PI00)			
Desired Outcome(s):			
The purpose of Process Improvement and Innovations Division is to use a systematic approach to design, modify or adapt agency operations to optimize performance outcomes and achieve more efficient results; and to identify and analyze issues, trends and innovations in State government.	Percent of Utilization of Electronic Filing Program. (625_67103_001)	Maintain 88% > of individual income tax returns processed electronically. Development of Project Goals and Strategies and Identification of Resource Requirements.	We will systematically improve our methods of processing tax returns and payments and managing tax revenues so that these transactions will become more timely, accurate, secure and cost-effective. Completion of initial phases of planning for Modernization of Department Services.
	Percent of online system work time availability (IRIS and Network). (625_67103_002) Percent of time CACSG_S? available for work. (625_67103_008)	Access to all major online systems 99 percent of normal work hours. 99% of time the system will be up and running.	We will provide an environment supporting Department operations through continuing employee development programs and coordination of technology initiatives.

Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Administration			
Desired Outcome(s):			
Develop enhanced evaluation tools to motivate and challenge employees to fully realize their potential.			
B. Internal Services Division (IS03) (625_67102) (1) Employee Training and Orientation	Percent of new employees completing orientation program. (625_67102_014) Percent of employees completing soft skill training. (625_67102_015) Percent of employees involved in training in current fiscal year. (625_67102_016)	100% of new employees will complete the orientation program. 25% of employees will complete soft skill training program on time. 70% of employees will take advantage of training opportunities in the current fiscal year.	<ol style="list-style-type: none"> 1. Review current orientation program. 2. Research and develop orientation program. 3. Develop Orientation Schedule 4. Evaluate orientation program after employees attend. <hr/> <ol style="list-style-type: none"> 5. Review current training opportunities. 6. Research and develop training. 7. Inform all employees of training available. 8. Develop Training Schedule. 9. Evaluate training program after employees attend. <hr/> <ol style="list-style-type: none"> 10. Review current training opportunities. 11. Research and develop training. 12. Inform all employees of training available. 13. Develop Training Schedule 14. Evaluate training program after employees attend.

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CF: Revenue Collections & Compliance (CC06, EX04, PR01) (625_73_001)			
Administer tax laws and collect and distribute revenues in compliance with Iowa's laws. Key activities include; tax processing, collections, policy development, examination, audit, and resolution of disputed tax issues.			
Tax Management Division			
Desired Outcome(s):			
Serve the taxpayers of Iowa by processing tax information and payments in an accurate and timely manner so that questions, taxpayer mistakes, or adjustments are dealt with expeditiously.	Percent of tax revenues received by electronic funds transfer. (625_73_001)	79% of tax revenues will be received by electronic funds transfer.	We will systematically improve our methods of processing tax returns, payments and managing tax revenues so that these transactions will become more timely, accurate, and cost-effective.
Serve the taxpayers of Iowa by processing tax information and payments in an accurate and timely manner so that any refunds or other distribution of funds or information meet statutory or management directed time requirements.	Percent of paper filed individual income tax refunds issued within 60 days of receipt. (625_73_002)	90% of paper filed individual income tax refunds will be issued within 60 days.	We will systematically improve our methods of processing tax returns, payments and managing tax revenues so that these transactions will become more timely, accurate, and cost-effective.
	Percent of electronic filed individual income tax refunds issued within 14 days of receipt. (625_73_003)	95% of electronic filed individual income tax refunds will be issued within 14 days.	
Resolve the outstanding debt owed to the Department of Revenue to assure timely resolution and collection of tax billings.	Percent of billed accounts resolved within 180 days. (625_73_004)	Resolve 70% of billed accounts within 180 days of entry into the system.	We will enhance our statewide collection services as an integral part of the Department's overall compliance efforts.
	Percent of net debt collected within 365 days. (625_73_005)	Collect 60% of net debt that did not get protested within 365 days of entry into the system.	

Oversee the operation of the Collections Partnership to assure timely resolution and collection of debt owed to the Department of Revenue and other contracting agencies.	Ratio of costs to collections. (625_73_006)	Maintain the level of costs to collections at or below \$10 per \$100 collected.	Seek to improve statewide collections services.
Assure voluntary compliance with Iowa's tax laws so the correct amount of taxes are paid, but no more, through policy development, taxpayer education and assistance, examination, audit, and the timely resolution of disputed tax issues.	Dollars collected per audit enforcement dollar expended. (625_73_007)	Collect \$9 for each enforcement dollar expended.	We will seek to improve the voluntary compliance with Iowa's tax system.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Processing Services (PR01) (625_73101)			
A. Document Processing (PR01)	Percent of dollars deposited on the same day of receipt. (625_73101_001) Percent of paper income tax returns imaged. (625_73101_011)	85% of tax receipts will be deposited within 1 day of receipt. 40% of current year paper income tax returns will be submitted with machine readable bar codes. 100% of current year paper returns will be imaged.	Increase the portion of general fund tax revenues received by electronic funds transfer. Continue to support electronic filing options and improve resource management during peak processing periods.
	Percent of income tax returns requiring review completed timely within 60 days. (625_73101_004)	70% of income tax returns going to review will be worked within 60 days of going to review.	Maintain efforts and time frames to resolve returns sent to the return resolution process.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions

Collections Services (CC06)			
	<p>Percent of net debt collected within 90 days. (625_73201_002)</p> <p>Dollars of debt collected within 90 days. (625_73201_002)</p>	<p>Collect the net debt placed with the collection facility within the following time parameters:</p> <ul style="list-style-type: none"> a) 40% within 90 days b) \$50 M 	<p>Improve existing tax collection resources and capacity.</p>
	<p>Percent of net debt collected within 210 days. (625_73201_003)</p> <p>Dollars of debt collected within 210 days. (625_73201_004)</p> <p>Dollars recovered for clients. (625_73201_006)</p>	<p>Collect the net debt placed with the collection facility within the following time parameters:</p> <ul style="list-style-type: none"> a) 50% within 210 days b) \$60 M c) \$50 M 	<p>Improve existing tax collection resources and capacity.</p>
	<p>Percent of net debt collected within 365 days. (625_73201_007)</p> <p>Dollars of debt collected within 365 days. (625_73201_008)</p>	<p>Collect the net debt placed with the collection facility within the following time parameters:</p> <ul style="list-style-type: none"> a) 60% within 365 days b) \$75M 	<p>Maintain existing tax collection resources and capacity.</p>

Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Examination Services (EX04) (625_73301)	Percent of revenue established collected for FY 14 (exam). (625_73301_001)	Collect 40% of revenue established in FY 14.	Develop an automated audit reporting system that will evaluate the performance of auditors and assist in selecting audit candidates in a more efficient manner.
	Percent of revenue established that is collected within 180 days (audit). (625_73301_008)	Collect 67% of revenue established in FY 14.	Develop audit programs using prior audit information and targeted businesses. Improve audit methods and use statistical sampling where appropriate.
	Percent of Individual income tax known due collected. (625_73301_007)	95% of individual income tax known due will be collected within 2 years of tax year.	
	Percent of income tax returns requiring review completed timely within 60 days. (625_73301_006)	70% of income tax returns going to review will be worked within 60 days of going to review.	
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
TAX GAP (625_73304) (TGAP)	Percent of revenue established that is collected in FY 14. (625_73304_001)	Collect 20% of revenue established in FY 14.	Continuously review existing programs and evaluate new data sources to create accountable and effective compliance programs.
Activities, Services, Products	Performance Measures	Performance Target(s)	Strategies/Recommended Actions
Policy and Communications Division (TS04, PO04) (625_73303)			
A. Audit Services (PO04)	Percent of contact within 12 months of receipt of protest. (625-73303-009) Percent of protests resolved informally. (625_73303_007)	Respond to all new protests within 12 months of filing. Resolve 40% of protests filed prior to CY 2013 through the informal process.	The focus has been changed to clear out older protests. An overtime protest "blitz" is being used to make incremental improvements.

<p>B. Communications (PO04)</p>	<p>Number of tweet messages issued.</p> <p>Number of recipients of tweet messages.</p> <p>Number of new tweet followers.</p> <p>Tax Education Video Views (On You Tube).</p>	<p>850 number of tweets per fiscal year.</p> <p>58,000</p> <p>200</p> <p>3,000</p>	<p>Focus on taxpayer education through various channels, including online classes, the Department website, ITRL, and use of social media.</p>
<p>C. Call Center (TS04)</p>	<p>Percent of Utilization of the Iowa E-File Services system. (Returns) (Withholding, Sales, and Fuel Tax). (625_73303_005)</p> <p>Percent of utilization of the Iowa E-File Services system (Payment Transactions) (Withholding, Sales, and Fuel Tax). (625_73303_006)</p> <p>Percent of all services calls answered in one minute. (625_73303_004)</p> <p>Percent of all calls abandoned. (625_73303_002)</p> <p>Percent of emails answered in one day. (625_73303_003)</p>	<p>98% of returns processed thru eFile Program.</p> <p>70% of payment transactions thru eFile Program.</p> <p>Answer at least 65% of taxpayer service calls requesting a live person within 1 minute.</p> <p>Less than 8% of taxpayer service calls will be abandoned before answered by a live person.</p> <p>Respond to at least 95% of emails received within one business day.</p>	<p>Maintain 98% of returns or better processed through the eFile and Pay system.</p> <p>Maintain 70% or better of payment transactions thru eFile and Pay program.</p>