

The Department of Revenue continues to strive for improvements across the board of its operations. From training to customer service to electronic filing to revenue collections, the Department has continually sought out new and better ways to provide *Quality That Counts* in all it does. Below is a snapshot of some of the key Department accomplishments from FY 2010:

- **Collections** – In FY 2009 and 2010, the Department continued to make strides in collecting delinquent taxes, particularly trust taxes. A systematic combination of collection practice changes, a commitment to optimal collection staffing levels and new legislative tools have contributed to this more effective and efficient means of collecting on delinquent tax debts. Between fiscal years 2005 and 2010, trust-tax collections have increased by 57 percent. In FY 2005, the Department collected more than \$90 million in delinquent trust taxes. In FY 2010, the Department collected more than \$157 million for the same.
- **Imaging implementation** – Though electronic filing is the most efficient and effective means of processing tax returns, the Department nonetheless still processes more than one million paper returns each year – for individual income tax returns alone. To make processing of paper returns more efficient, the Department successfully implemented new imaging technology in FY 2009 to optically capture and digitize paper-return data. As a result, the Department has reduced the need for and cost of outside keypunch services, reduced the risk of human data-input error and reduced physical warehouse requirements to store paper returns. Now paper returns are digitally imaged into the Department’s returns-processing computer system, allowing for improved quality of data and instant access to taxpayer returns for more timely customer service.
- **Electronic filing** – Concerted and strategic marketing efforts have provided a continual trend of at least 5 percent or greater increase annually in overall electronic filing (a combination of the state’s I-File program and the IRS’s e-File programs) year to year. In FY 2005, overall electronic filing was about 46 percent of all filing types. Today it makes up approximately 65 percent of all filing types. The Department estimates that it costs the state about \$2 million/year operationally to process approximately one million paper returns, but only about \$150,000 operationally to process more than two million electronic returns. In addition, taxpayers who are set up for direct deposit and file their returns electronically usually see their refunds deposited in an average of four to seven days, compared with an average of four to 10 weeks for paper-filed returns.
 - **I-File** – Marketing efforts, satisfaction surveys and technology improvements continue to drive growth uptake of the state’s I-File electronic-filing tool. In FY 2009 and FY 2010, I-File usage increased by more than 10 percent each year. These increases are marked by high satisfaction statistics from taxpayers. In the FY 2010 annual satisfaction survey, more than 2,800 taxpayers participated, indicating that 97 percent were satisfied or very satisfied with I-File, 97 percent would use it again and 97 percent would recommend it to a friend or family member.
 - **WH-1s & WH-3s** – The Department has worked diligently to accommodate WH-1 and WH-3 electronic filing, which enables the Department to electronically cross-check employer withholding statement data with individual income tax return data. Effective Jan. 1, 2010, all business taxpayers must file their WH-1s electronically, and beginning Jan. 1, 2011, all business taxpayers must file their WH-3s electronically.

- **Online self-serve taxpayer tools/products** – Based on taxpayer feedback, the Department has made several improvements in its INtax business-tax filing and payment tool, increasing usage by more than 12 percent in the last part of FY 2010 alone. Also, the Department has continued to receive high satisfaction ratings from taxpayers who use I-File. In fact, on average, more than 90 percent of taxpayers say they are satisfied or very satisfied with I-File, would use it again and would recommend it to a friend or family member. The Department also launched a New and Small Business Education Center in late 2008, which has attracted the attention of more than 50,000 users and more than 1,000 subscribers – as well as kudos from the Federation of Tax Administrators and the Midwest Association of Tax Administrators as an innovative tool. In addition, the Department also launched a new online payment plan tool that allows taxpayers to set up their own payment plans (prior to a warrant stage) 24/7. This new tool recently earned the “Cool Idea” recognition from the Federation of Tax Administrators.
- **Customer service** – In FY 2010, the Department handled more than 140,000 phone calls during the tax season, compared with 114,000 for the same time period last year. Yet the agency’s hold times went down from over four minutes on average in 2009 to less than three minutes on average this year. In addition, deflected calls, those callers not able to get through the first time, were down 42 percent this year, compared with the 2009 tax season.
- **Training** – In FY 2010, approximately 104 employees representing six different divisions received basic job-application training to uniformly and consistently perform their jobs. As of FY 2010, over 80 percent of Department frontline employee jobs have formalized training modules in place. These training modules will also be used for new-hires and remedial training in those sections. At the end of FY 2010, 67 percent of Department employees had defined, measureable, customized, customer-focused processes in place in their areas. Online computer-based training was also expanded in FY 2010 as virtually all supervisory and manager-level courses were converted to this efficient, self-study method of learning.

What Indiana Taxpayers Have To Say

"I am writing to you today to tell you about my interaction with **Ms. Mary McNutt**. Let me tell you, I could not talk more highly of my interaction with Mary. From the onset, Mary treated me with respect...I made it clear to Mary what my issue was...and she worked to help me fix my problem. From my point of view, Mary acted in an exemplary fashion. Please take the time to recognize her on my behalf for what she is; an all-star performer." – **T. Weldy**