



Indiana Department of Revenue

FY22

Annual Report



Recipient of 2022 Top Workplace USA
and IndyStar Top Workplace Awards

*Amazing Success
Achieved by a Fabulous Team*

PROJECT NEXT-PER

— 2017 — 2022 —



Commissioner's Letter



Dear Governor Holcomb,

On behalf of the Indiana Department of Revenue (DOR) team, it is my honor to present DOR's annual report for Fiscal Year 2022 (FY22; July 1, 2021 – June 30, 2022). This report is submitted to you pursuant to Indiana Code 6-8.1-14-3.

DOR was created by an Act of the Indiana General Assembly on Feb. 18, 1947, which means we celebrated our 75th anniversary during FY22. We are honored to be part of DOR's proud 75-year history of serving Indiana and the Hoosiers that count on us.

The DOR team includes 650 Hoosiers serving from 13 locations throughout Indiana. This team of dedicated public servants pour themselves every day into the important work we do. We are extremely proud of the service we provided, projects we completed, and improvements we implemented during FY22. A few highlights include:

- successful management of all agency operations to effectively administer over \$27 billion of tax revenue from Indiana's 65 tax types, licenses, fee, permits, and penalties
- successful execution of the 2022 individual income tax season (for tax year 2021), our first on the new modernized Indiana Tax System (ITS)
- effective operation of our cybersecurity, ID protection and refund fraud prevention programs
- continued success in Indiana's commitment to lead the industry in Motor Carrier Services and to serving Indiana's trucking industry
- advancement of key internal control, internal audit, compliance, continuous improvement, and employee skill development capabilities
- through collaboration with all of Team Indiana, the planning, design, and first stages of the issuance of the 2022 Automatic Taxpayer Refund
- the honor of being recognized with both a 2022 Top Workplace USA Award and 2022 IndyStar Top Workplace Award – making it six employee engagement awards in four years.

I want to bring special attention to DOR's five-year modernization project, **Project NextDOR**. Started in 2017, this project set aggressive goals to modernize DOR's technology platform, close internal control gaps, improve internal efficiencies, enhance payment services and revenue processing and improve customer service. Through unwavering focus and commitment, steadfast support and collaboration, and tireless contributions from so many individuals and organizations, this project hit every deliverable and milestone and was on schedule and on budget for five straight years.

Project NextDOR has been a tremendous success for DOR, Indiana's taxpayers, the tax practitioner community, and every organization and individual who is involved in Indiana's tax administration world. We concluded the project in July of 2022, and we are confident we have established a strong foundation of success for many years to come.

The DOR team finished FY22 stronger and more committed than ever to our mission, vision and purpose. We are honored to be part of Team Indiana serving everyone who counts on us.

Respectfully,

Bob

Bob Grennes, DOR Commissioner



DOR at a Glance

The Indiana Department of Revenue (DOR) serves Indiana by fairly, securely and efficiently administering Indiana's 65 taxes, licenses, fee, permits, and penalties. Each year this includes processing millions of tax returns and payments, handling hundreds of thousands of pieces of correspondence, in-person service visits and phone calls, completing thousands of diverse audits, addressing tax protests and legal issues, all while serving Indiana citizens, businesses, corporations, and government entities. Our team also manages state and federal registrations and fuel tax filings for nearly 25% of all semi-trucks and trailers on the road in the U.S. through DOR's Motor Carrier Services (MCS) Division.

The agency consists of a dedicated group of 650 team members who proudly serve Hoosiers from 13 locations throughout Indiana and across the country. These team members model DOR's core values and offer their diverse skills and talents to perform a variety of functions that contribute to DOR's success in achieving its mission, vision and purpose.

Pyramid of Excellence



Mission

To serve Indiana by administering tax laws in a fair, secure and efficient manner.

Vision

To be recognized as the premier tax administrator in the nation and a great place to work.

Purpose

To provide great government service at a great value to our customers.

Core Values



Fun



Respect



Service



Leadership



Teamwork



Continuous Improvement



Integrity

Strategic Anchors

Our Team

Everything is about our team members. They are the reason we are, and will continue to be, successful.

Our Customers

We have a passionate, obsessive, almost radical commitment to customer service and making it easy to do business with us.

Our Passion

Accuracy is paramount to everything we do. Efficiency and continuous improvement are the foundations to our long-term success.

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DOR Leadership and Teams

Bob Grennes, Commissioner



Bob was appointed by Governor Holcomb as Commissioner on Feb. 1, 2020. Prior to his appointment, Bob served as DOR's Chief Operating Officer from 2017-2019. Bob works with DOR team members across the agency to serve Indiana and the Indiana citizens, businesses, corporations, state agencies, partners and stakeholders that DOR serves. Working collaboratively with the Office of Management & Budget (OMB), the Governor's Office and state agency leaders, Bob helps the DOR team tackle the many challenges of agency operations and deliver on DOR's mission.

Randal Boone, Executive Director of Motor Carrier Services



Randal has been a member of the DOR leadership team for 15 years. As the Executive Director of Motor Carrier Services (MCS), Randal is responsible for leading and managing Indiana's MCS business and the following Motor Carrier Services teams:

- Vehicle Registrations - International Registration Plan (IRP) and Base Plate Registration (BPR)
- Titles Processing
- Fuel Taxes - International Fuel Tax Agreement (IFTA) and Motor Carrier Fuel Tax (MCFT)
- Oversize/Overweight Permitting (OSW)
- Insurance and Safety - Indiana Operating Authority (IOA)
- MCS Customer Service Walk-in Branch

Caitlin Floyd, Director of Human Resources



Caitlin serves as the Director of Human Resources for DOR and works collaboratively with DOR leadership to manage all aspects of human resources and personnel. Caitlyn has worked in human resources for over 11 years, previously supporting the Indiana Department of Child Services, the Family and Social Services Administration and the Indiana Department of Labor.

DOR Leadership and Teams Continued

Kevin Gulley, Chief Information Officer



Kevin has been a member of DOR's leadership team since 2007. As the Chief Information Officer, Kevin oversees the information technology team whose responsibilities include software development, information security, operations support and information management. Kevin has also led the agency's modernization project, Project NextDOR, a major technological upgrade to DOR's tax administrative systems. Kevin is responsible for leading the following teams:

- Information Technology
- Information Technology Operations Support
- Information Technology Security Office
- Indiana Tax System (ITS) Application Support
- Project NextDOR Project Team
- Motor Carrier Services (MCS) Application Support

Terri Livingston, Executive Director of Agency & Business Systems Support



Terri serves as the Executive Director of Agency & Business Systems Support and has been a member of DOR leadership since 2017. Terri's team provides support to the agency with the following functions:

- Organizational Development and Training
- Project Management Office
- Business Analysis
- Operational Improvement
- Tax Compliance
- Corporate and Trust Tax Processing
- Investigations and Internal Affairs
- Data Governance and Analytics
- Communications

DOR Leadership and Teams Continued

Chris Perry, Executive Director of Audit Operations



Chris has been a member of the DOR team for 28 years. As Executive Director of Audit Operations, Chris oversees DOR's statutory requirement to audit taxes administered by DOR to secure tax funds rightfully due to the State of Indiana. Chris and his team's primary goal is to administer Indiana's tax laws in a fair, secure and efficient manner with a focus on driving improvements in taxpayer education and self-compliance. His team also works tirelessly to improve all aspects of the audit process. Chris oversees the following teams:

- Audit Operations
- Audit Support

Chris Russell, General Counsel



Chris has been a member of the DOR leadership team since 2017, previously serving as Deputy General Counsel for the BMV. As DOR's General Counsel, Chris and his team are responsible for all legal, administrative and judicial matters relating to DOR, serving as liaison to the General Assembly, Governor's administration and other agencies, and providing a wide range of advisory matters related to DOR's administration. Chris oversees the Legal Division, which includes the following teams:

- Tax Policy
- Appeals
- Litigation
- Compliance & Ethics
- Legal Services
- Legal Operations

DOR Leadership and Teams Continued

Ed Vance, Chief Financial Officer



Ed serves as DOR's Chief Financial Officer and has been a member of DOR's leadership since 2017. Ed oversees diverse services including accounting and internal control, budget development and administration, procurement, payroll, travel and expense report processing, accounts payable processing and delinquent collections. Ed is responsible for the following teams:

- Tax Liability Management
- Budget & Revenue
- Procurement & Contract Management
- Accounting & Financial Controls

Monique Young-Wash, Executive Director of Service Operations



Monique has been a member of the DOR leadership team since 2017. As the Executive Director of Service Operations, Monique leads the following teams to provide efficient service operations and excellent customer experiences:

- Customer Service
- Returns Processing Operations
- Special Tax Operations

Tammy Tschetter, Director of Customer Service & Taxpayer Advocate Office



Tammy serves as the Director of Customer Service & Taxpayer Advocate Office. Tammy has been with DOR for over 30 years and is responsible for overseeing the following functions of Customer Service:

- Inbound Call Center
- Walk-in centers throughout the state
- Customer Experience Management
- Service Resolution Area, including the Taxpayer Advocate Office, Tax Practitioner Team and Correspondence Team

FY22 Highlights

Introduction to FY22

FY22 was a pivotal year for DOR, marked by the end of Project NextDOR. Throughout FY22, the agency focused on completing this five-year project and maximizing the capabilities of the Indiana Tax System (ITS), supporting and developing team members, and advancing capabilities to better serve customers.

DOR certainly faced challenges, most notably as the team skillfully navigated staffing challenges that are pervasive in the current economy as well as the expected growing pains that accompany a major system overhaul. But thanks to a dedicated team, best-in-class technology and a commitment to the agency's core values, DOR finished FY22 stronger and more committed than ever to its mission, vision and purpose. The following pages include a summary of key initiatives and accomplishments that highlight the agency's achievements during the fiscal year.

Taxpayer Bill of Rights

All Indiana taxpayers have rights and responsibilities under Indiana tax law. The Taxpayer Bill of Rights sets forth these rights and responsibilities.

Public Law 332-1989

1. Quality Taxpayer Service
2. Preservation of Taxpayer Rights
3. Taxpayer Education & Information
4. Fair Collections Process
5. Hearing Time & Representation
6. Demand Notices
7. Warrants for Collection of Tax
8. Judgment Liens Against Property
9. Annual Public Hearing & Report
10. Taxpayer Responsibilities

[See the Taxpayer Bill of Rights](#)

Project NextDOR Comes to an End

Building a Strong Foundation for Serving Indiana



DOR is tasked with fairly, securely, and efficiently administering Indiana's taxes. This includes annually processing millions of returns and payments and managing the flow of tens of billions of dollars of tax revenue, all while serving Indiana citizens, businesses, corporations, and government entities. This critical work requires modern, high-capacity, secure, maintainable, and dependable

technology. With DOR's vision of being a leading provider of tax administration services, it also requires an unwavering passion for service and continuous improvement. *Project NextDOR brought this vision to reality.*

Project NextDOR was a 5+ year agency-wide modernization project initiated in 2017, which upgraded all of DOR's tax processing computer systems, interfaces, and service delivery processes. The new system, ITS, replaced 25-year-old legacy systems and introduced new services to internal and external users and customers.

This extremely large and complex high-risk/high-reward project required unwavering focus and commitment, steadfast support and collaboration, and tireless contributions from a broad range of individuals and organizations.



Establishing the Path and Tackling the Journey

The project was designed to modernize DOR's technology platform, close internal control gaps, improve internal efficiencies, enhance payment services and revenue processing, and improve customer service.

It impacted every part of DOR: every DOR employee, every partner DOR works with, and every customer DOR serves.

DOR set aggressive deliverable goals and deadlines and committed to holding themselves accountable to the high expectations of the DOR team, customers, stakeholders, and supporters.

The project was completed over five years and included four major implementation rollouts:

- **2017:** RFI/RFP development, publishing, and scoring. Vendor selection.
- **2018:** Detailed plan development and system infrastructure installation.
- **2019:** Implementation Rollout 1 – Corporate tax functionality.
- **2020:** Implementation Rollout 2 – Business and trust tax functionality.
- **2021:** Implementation Rollout 3 – Individual tax functionality.
- **2022:** Implementation Rollout 4 – Special tax functionality.

Activities included the design, development, testing, implementation, and project management work to:

- Implement over 50 Indiana tax, license, fee and permit types on the new platform
- Quality check and convert hundreds of millions of data records
- Develop and upgrade over 120 external and internal interfaces
- Create thousands of enhanced internal processing procedures, and
- Introduce new and enhanced services to internal and external users and customers.

Additionally, tens of thousands of hours of data conversion, testing, training, and internal and external communications were completed.

All this work was completed while maintaining and operating all agency operations and services on DOR's legacy systems while serving customers and partners through multiple extremely challenging years – including a once-in-a-lifetime pandemic.

Team Success is the Best Kind

The entire project has been challenging, exciting, fun, and rewarding. From start to finish, everyone on the team remained passionately aligned with project objectives and committed to success. The team lived DOR's core values and stayed laser-focused on positive leadership, collaboration, teamwork, and continuous improvement. And the results showed it.

This project hit every deliverable and every milestone. It has been on schedule and on budget for five straight years.

DOR achieved this success due to the unwavering support of Governor Holcomb and his team, the General Assembly, and DOR's partner agencies including Indiana's Office of Management & Budget, State Budget Agency, Office of Technology, and Department of Administration.

And the vision became reality because of the commitment, teamwork, collaboration, and five years of outstanding contributions from DOR's vendor, FAST Enterprises, DOR team members across the agency and partner agencies and stakeholders.

All project teams are a collection of people who bring their diverse and unique talents to the project's vision, goals, and objectives. When a team is fortunate to have individuals from across many organizations who are truly aligned and committed to excellence, and each other, you have something very special. Project NextDOR was that type of special project.

Modernization never ends, but DOR celebrates the successful completion of Project NextDOR with overflowing team pride. It is a wonderful achievement for Indiana's taxpayers, the tax practitioner community, the DOR team, and everyone involved in Indiana's tax administration world.

At the beginning of the project, the path ahead appeared daunting. Five years later, DOR proudly closes this chapter of its history and sends its sincere appreciation to everyone involved. Together, we have served Indiana proudly by establishing a strong foundation of success for many years to come.





Project NextDOR Benefits



Improved Customer Service

Makes Filing Easy

- ✓ Introduces INTIME e-services portal to improve service, communication and interaction
- ✓ Enables customers to electronically file and amend returns for corporate, sales, withholding and other taxes
- ✓ Enables customers to schedule and automate their payments and manage payment plans
- ✓ Alerts customers when payments are due and provides reminders of auto withdrawals
- ✓ Enables customers to request and view an official transcript
- ✓ Provides ability to view history of payments and returns

Makes Paying Easy

Drives Transparency

Closure of Internal Control Gaps

Strengthens Financial Accounting

Improves Statutory Accuracy

Improves Operational Accuracy

- ✓ Validation and transparency of revenue disbursements and reporting to local entities
- ✓ Traceability of transactions from collection to distribution in an integrated system
- ✓ Integrated controls and efficiencies for implementing statutory changes to reduce risk
- ✓ Improved data quality as a result of INTIME data collection e-services

Minimized Technology Risks

Improves System Availability

Eliminates Outdated Technology

Expands Security Services

- ✓ Improves efficiency and customer service in 24/7/365 processing environment
- ✓ Reduces complexity as a result of the full tax administration system (ITS) integration
- ✓ Enables faster delivery of new functionalities with an integrated, configurable solution
- ✓ Enhanced security with greater ability to control and monitor access to sensitive accounts

Improved Payment Services & Revenue Protection

Optimizes Collection Services

Improves Billing Process

Increased Compliance with Analytics

- ✓ Enables customers to receive notices and bills electronically through INTIME e-services portal
- ✓ Enables customers to establish and manage payment plans via INTIME e-services portal
- ✓ Improves integration with sheriff warrant processes
- ✓ Improved analytics to score delinquent accounts for collectability and/or audit case selection
- ✓ Enables cross-checks of employer and employee data for withholding credits

Improved Internal Efficiencies

Drives Accuracy and Fairness

Optimizes Operational Efficiency

Improves Compliance Efficiency

- ✓ Automates business rules rather than relying on manual review to increase consistency
- ✓ Continuously monitors workflows in real time and makes improvements based on performance
- ✓ System-provided worklist monitoring and reporting
- ✓ Easier data sharing with other government agencies and third party providers
- ✓ Uses predictive analytics to apply different treatment strategies based on customer segments

Project NextDOR Stats

(As of June 30, 2022)

Project NextDOR Implementation Stats

Accounts Converted	6.9 Million
Returns Converted	27.4 Million
Training Sessions	449
Development Tasks	>3500
Test Scenarios Verified	9,529

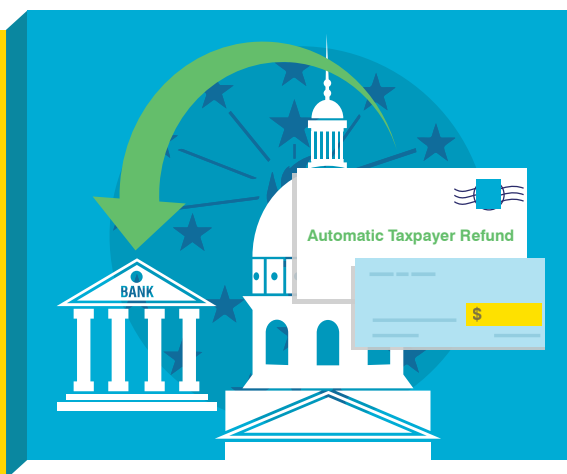
Improved E-service (Customer) Experience (INTIME)

INTIME Registrations	471,000
Returns Filed through INTIME	>4 Million
*Electronic Power of Attorney (ePOA)	76,000
*Address Changes through INTIME	30,000

Improved Returns Filing and Payment Experience	Original Returns (% Electronic)	Amended Returns (% Electronic)	Payments (% Electronic)
Individual (IT-40, etc.)	90%	*34%	27%
Sales/Withholding	98%	*94%	99%
Corporate (IT-20)	*53%	*10%	90%
Partnership (IT-65)	90%	*70%	47%
Sub-S (IT-20S)	90%	*77%	51%

* Denotes New Functionality

Issuing Automatic Taxpayer Refunds (ATR)



Indiana's state budget excess of \$3.9 billion for FY21 resulted in a \$125 Automatic Taxpayer Refund (ATR) for eligible Hoosiers. The state's "Use of Excess Reserves" law required the \$1.1 billion of extra funds to be divided between the Indiana State Teachers' Retirement Fund and a refundable income tax credit for Hoosier taxpayers. With the support of DOR, Governor Holcomb and the General Assembly worked together to enact legislation to expand the eligibility to an additional 910,000 Hoosiers.

Thanks to great collaboration between multiple Indiana state agencies, the ATR was successfully initiated in spring of 2022. DOR partnered with the Governor's Office and Auditor of State's Office on the end-to-end plan, including the planning and administration of the refund and communication to Hoosiers. DOR leveraged individual income tax information collected by the new ITS system to facilitate distribution of the ATR to Hoosier taxpayers. Eligible taxpayers who provided accurate direct deposit information when filing their 2021 individual income tax return received their one-time deposits in May 2022. Additional direct deposits to taxpayers who filed later in the filing season were issued in June and July. Check payments for the remaining eligible taxpayers began in August.

This project was an excellent example of agency partnerships across the State of Indiana working together for the greater good of Hoosiers and demonstrates public service at its finest.

For a complete summary of legislation passed by the 2022 Indiana General Assembly impacting DOR, see the 2022 Legislative Synopsis available on DOR's website.

Investing in Team DOR

Top Workplace Awards

For the fourth consecutive year, DOR received the IndyStar Top Workplaces award in the large company category, this year with special accolades for work-life balance. Recognized at the national level for a second time, DOR also was named a 2022 Top Workplace USA. Both the state and national recognitions are based on voluntary and anonymous feedback from DOR team members, which helps the agency continue to nurture and improve its work environment and culture. Feedback is benchmarked against private sector firms who invest heavily in culture, organizational health and employee engagement. The entire DOR team is honored





to be recognized again as a Top Workplace for the fourth consecutive year, and we remain committed to providing the best work experience possible for all of our valued team members.

Nurturing a Healthy Organizational Culture

In the spirit of continuous improvement, a recent refresh to DOR's Employee of the Month program, enhancements to the DORientation new hire orientation, and the creation of the new Employee

Connection Team, which brings teammates across the agency together for events and community service activities, were all implemented based on feedback from employees. DOR leveraged several communication outlets to keep team members informed and engaged, including "Reve-news" (DOR's weekly internal e-newsletter), quarterly all agency meetings and monthly #AskBob Commissioner videos that celebrate team member awards, accomplishments and milestones.

Enhanced Training

Commitment to employee growth and development is important at DOR. As a learning organization, the agency invests in a variety of training initiatives, including leadership development through its Leadership Enrichment at DOR (LE@DOR) program. This program for new and current leaders has been updated and now includes skill development for all DOR leaders that's available on-demand through interactive e-learning. Adapting and building technical training skills beyond the traditional classroom has also been a priority this year and is fitting for today's hybrid workplace.

ITS training for the final rollouts of Project NextDOR was successfully completed during FY22. To prepare the agency first for the integration of individual income tax into ITS with Rollout 3, a total of 29 trainers partnered with FAST Enterprises to build 23 courses and train approximately 500 DOR employees over a 7-week period. In preparation for Rollout 4, affecting special taxes, a total of 26 trainers and training reviewers collaborated with trainers from FAST Enterprises to build 18 courses and train 570 DOR employees over a 4-week period.

ITS training has also been integrated into several new hire training programs across the agency, and this training integration will continue into FY23. These programs will equip team members to maximize the capabilities of ITS and serve customers effectively for years to come.

Motor Carrier Services: An Industry Leader

The MCS Division's focus and investment in three major initiatives advanced our industry leadership position in FY22. The International Registration Plan (IRP) Modernization, Indiana Oversize/Overweight (OSW) Permitting System, and the Indiana Operating Authority (IOA) projects are evidence that division goals and objectives concerning continuous improvement are being met while striving to meet or exceed customer expectations.

International Registration Plan (IRP) Modernization

Some of the largest carriers in the country register their fleet using DOR's IRP system. DOR's IRP modernization project has had significant performance and efficiency improvements with improved uploads, large billings, error handling, and overall stability of the system. The accuracy of data shared with federal and enforcement organizations has improved, which helped DOR to improve compliance with data quality requirements. A combination of modernized and intuitive user interfaces with logical workflows, instructions, and error messages has led to more online activity and increased internal operational efficiencies. Consolidation into a single platform has resulted in a reduction in system maintenance and support.

Indiana Oversize/Overweight Permitting System

MCS maintained its permitting service level agreements to customers throughout FY22. Most notably, the Indiana Oversize/Overweight Permitting System, with continued enhancements including bridge integration, helped to improve the overall safety and protection of routes on Indiana's roads. This automated permit system has dramatically increased self-service, automated route calculation, and improved permit issuing service, alleviating delays and resulting in an above 98% automated route approval rate.

Indiana Operating Authority (IOA)

An IOA application is required for transporting passengers or household goods within Indiana. DOR's enhanced IOA system made it possible to streamline customer requests for household goods and passenger transport authorities. Customers now have the ability to upload documents, while files are grouped together online for processing, thus improving service. IOA's detailed reporting system also allows for better customer interfacing, specifically for setting up payment plans and signing documents.

Providing Best-In-Class Customer Service

During FY22, the Customer Service Department developed six strategic pillars to focus on their mission of providing best-in-class customer service during each customer interaction. That is accomplished by providing:

- timely service
- courteous and professional responses
- listening, understanding, and acknowledging customer needs
- accurate responses and resolution
- appropriate follow-up, if necessary

Integrating various functions into one Service Resolution team yielded productivity gains by distributing calls, correspondence and INTIME messaging inquiries. The end result – more calls were answered, correspondence was processed faster, and work inventory was reduced. The changes ultimately led to overall scores of above 90% for both customer satisfaction and internal quality assurance. Targeted hiring and retention efforts also contributed to DOR's ability to provide consistently higher customer satisfaction scores and improved service.

Operational improvements for team members and daily dashboard modifications now provide a wholistic service operations metrics report. For example, a redesigned internal system for team members to use for job aids, training material, and reference guides was implemented. An enhanced daily dashboard featuring faster access to customer service call center metrics for agency leadership was also introduced. All areas of customer service information are now searchable by date including correspondence levels, tax practitioner services, taxpayer advocate activities, and activities at district offices. Monthly recognition programs and celebration events have continued to recognize and reward individual and collective team best-in-class service delivery.



Customer Assistance Overview

Since Rollout 3 of Project NextDOR, individual customers are now able to take advantage of secure and efficient messaging with DOR Customer Service via INTIME, DOR's e-services portal. This enhanced functionality has shifted the overall composition of DOR's customer-facing services as an increasing number of customers opt for online service.

Total customer service transactions across all district office locations, completed with an average customer satisfaction score of over 92%:

Phone Calls	452,389
Walk-in Visits	56,425
Correspondence (fax, paper, email)	85,125
INTIME Messages	82,830

Serving Indiana During Individual Tax Season

While DOR experiences a variety of "peak seasons" throughout the year, the individual tax filing season is the largest and most complex. Because of the volume and complexities of this compressed period coupled with the required implementation of annual changes, the DOR team is either preparing for or executing it all year long.

The highest volume of work occurs between late January through May of each year when DOR serves the approximately 3.3 million Hoosiers who file an individual income tax return. Over 2.2 million of those returns result in an income tax refund.

During the beginning of FY22, DOR concluded the 2021 processing season (for tax year 2020). The agency then quickly shifted its focus to converting all individual income tax processing and service operations to the new modernized Indiana Tax System, which was successfully completed in September of 2021. Along with new procedures, training, and INTIME self-service functionality, this conversion also included upgrading DOR's ID protection and refund fraud prevention programs.

The 2022 tax filing season (for tax year 2021) opened on January 24, 2022, and DOR team members, systems and service operations were ready. With this first individual tax season on the new system, DOR leveraged new efficiencies and tackled new challenges as the team put both the system and training to work under high volume.

For the 2022 filing season, as of June 30, 2022 DOR processed 3.3 million individual returns, over 1.5 million payments for over \$2.5 billion, and issued 2.2 million refunds for over \$707 million. DOR identified and stopped over \$7 million in attempted refund fraud. The Customer Service team in DOR's 13 Indiana locations assisted Hoosiers with

over 143,000 service interactions via walk-in, phone, correspondence, and secure INTIME system messaging.

Implementing new technology and processes is always exciting and rewarding. It is also challenging, especially in a time-compressed, high-volume period. While implementations of this size and complexity are never perfect, the DOR team has learned and improved throughout, and both the team and new system performed exceptionally well.

Individual Tax Season Stats		
Refunds issued from electronic returns	95% within 30 days	90% within 14 days
Refunds issued from paper returns	98% within 60 days	59% within 30 days
Customer Service Satisfaction Scores	98.91% walk-in visits	92.49% inbound phone calls

Business Outreach Program Expands and Provides Flexibility

Offering in-person, virtual and hybrid presentations through the Business Outreach and Education program was essential to keeping tax practitioners abreast of changes to Indiana tax laws, forms, agency procedures and more. Annual programming also supported volunteer tax preparers who helped with completing Indiana tax returns for low income, elderly and special needs taxpayers. Special group presentations for auctioneers and automobile dealers provided timely information regarding current state tax regulations, while the number of New and Small Business Workshops, designed for existing businesses and aspiring entrepreneurs, saw a nearly 60% increase. In addition, this program partnered with 12 new hosts, reaching more new audiences than ever before.

Enhancing Internal Effectiveness, Compliance and Security

Internal Audit

Capitalizing on the successful partnership with DOR's Audit Committee, the Internal Audit team helped to drive an effective audit plan for FY22 that allowed DOR to identify key areas of potential risk and opportunities for improvement. The Internal Audit team also assisted the Project NextDOR and DOR management teams in implementing practical improvements that continue to enhance DOR's systems and operational efficiency, effectiveness, and quality. While maintaining an incremental maturation approach to risk assessment, the Internal Audit team worked to incorporate requirements from updated Financial Management Circulars that will aid DOR in maintaining compliant and high-quality agency operations, reporting and compliance activities.

Internal Control

DOR's multi-year implementation of an Internal Control framework continued in FY22. By partnering with leadership across the agency, the Internal Controls team was able to assess risk and build control activities to help mitigate risks that could potentially affect DOR in a negative way.

The internal control management framework is in the process of moving to Workiva, a platform that will allow for the effective ongoing management of not only the internal control program, but the internal audit program that also supports DOR in maintaining safe, compliant, and effective operations.

The Internal Controls team has worked with agency management to finish approximately 57% of all documentation that will ultimately be completed.

- 167 processes identified (46 processes identified within the last year)
- 61 process flows completed (51 process flows completed in the last year)
- 739 internal controls identified (147 controls identified in the last year)

Increased program communication and a new training program were also implemented in FY22 to ensure DOR team members are equipped to play their part in supporting the effective development and operation of key internal controls.

Information Security

Ensuring the protection of DOR's taxpayer information is an ongoing mission of DOR's Security team. The team demonstrated its success in meeting this goal when it partnered with staff across the agency to help DOR pass an IRS review of its security programs, policies, procedures, and technical security with outstanding results in early 2022.

The DOR Security team leveraged the Indiana Office of Technology's Transparency Portal to understand and improve the security measures of each technical asset. Over the last year, use of the portal helped DOR to reduce its risks to known cyber vulnerabilities by 58%.

Preparing the agency to function after catastrophic events was also a huge milestone in FY22. The team updated DOR's Continuity of Operations plan that identifies the agency's essential functions and the staff required to perform and support them. Tabletop exercises of the plan coupled with scenarios that would disrupt DOR's operations were facilitated with participation from DOR's executives, directors and front-line personnel. Talking through the scenarios ultimately helped everyone to understand the difficult challenges that DOR could face and proactively develop solutions to those challenges. Through these actions, the DOR Security team bolstered DOR's readiness to continue serving taxpayers after situations that would drastically change the way it operates.

Improving Enforcement Capabilities

Multiple teams at DOR support the agency in enforcing taxpayer compliance and helping individual, business, and corporate taxpayers better understand and meet their tax obligations. In FY22, DOR's Audit, Legal, Tax Compliance, Tax Liability Management, and Investigations teams collectively contributed to the agency's success in this endeavor.

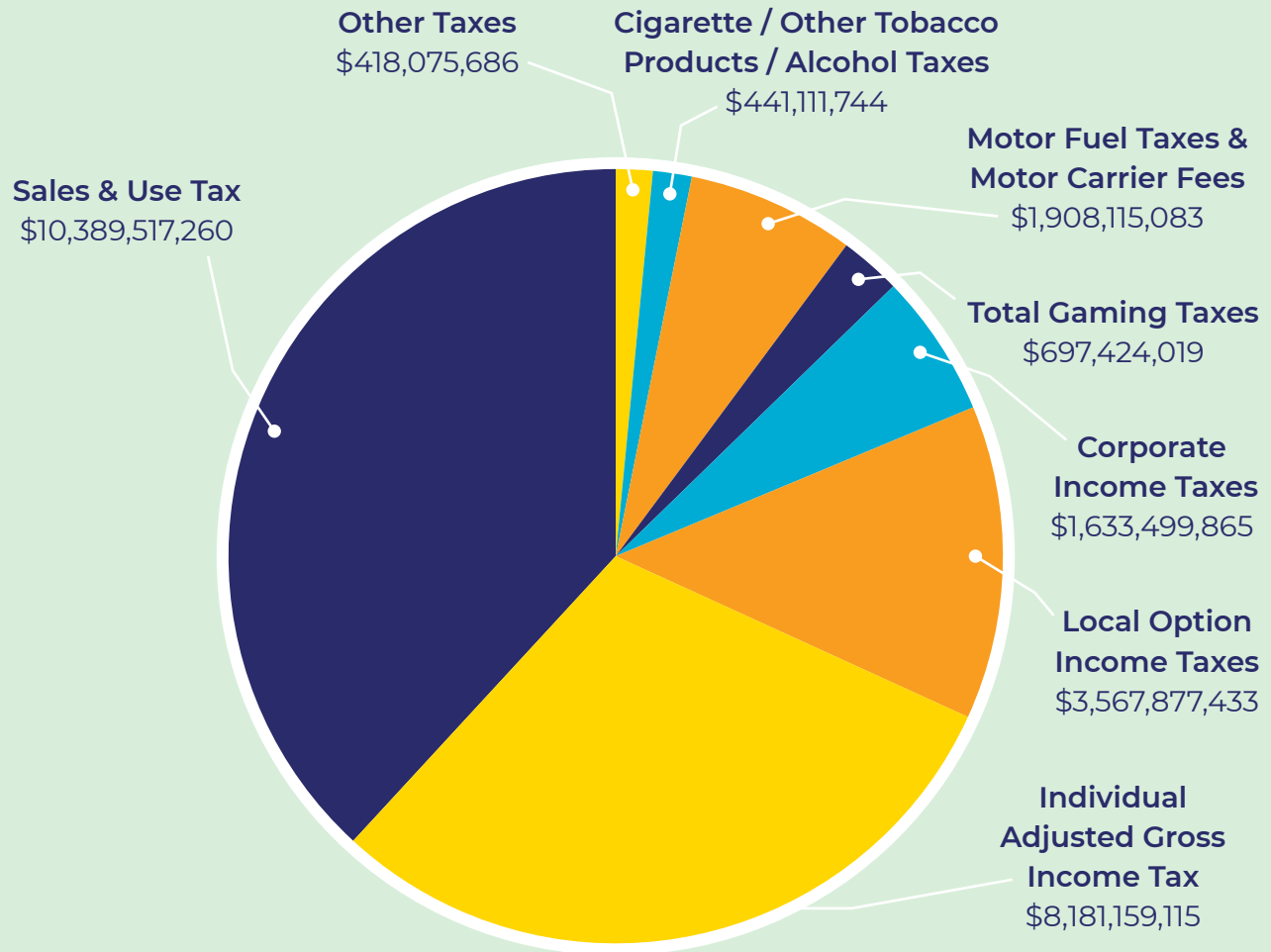
Audit Operations continued to leverage the advanced capabilities of ITS to effectively identify audit candidates. ITS includes a "discovery" module that enables DOR to use advanced data analytics to select a set of taxpayers, periods, or returns filed that indicate possible non-compliance or area of known high error rate. Beginning with the second rollout of ITS in 2020, the Audit team is now identifying common areas of audit adjustments to then identify taxpayers to select for field audit based on those criteria. Three years into selecting audits with this advanced capability, the team is now shifting to analyze results from those early "discoveries" to continuously improve the selection process with an aim of improving taxpayer education, compliance, and recovering more unreported tax due. Additional discovery opportunities have been implemented for the Business Tax Compliance (BTC) and Individual Tax Compliance (ITC) teams, and as DOR matures as a user of ITS, additional functionality will be employed to identify tax recoveries more efficiently and expansively.

The Tax Compliance team also leveraged the new robust case management system within ITS to identify and prevent many cases of fraud. Over 7 million in confirmed fraud was stopped based on 4,961 returns, including one notable scheme where fraudulent taxpayers were filing a \$0 return while attempting to collect a refundable credit of \$400. By reviewing and comparing wage statement amounts from various employers, the Individual Tax Compliance team also identified discrepancies in the withholding amounts for state and county income taxes, which ultimately prevented potential errors in tax dollar appropriations.

Collaborative partnerships between DOR and external entities played a key role in DOR's ability to successfully carry out its enforcement responsibilities. Collaboration between DOR's Investigations team and local law enforcement agencies contributed to the successful identification and resolution of several fraud cases, and DOR's successful partnership with United Collections Bureau continued to support the agency's Tax Liability Management program.

Summary of Fiscal Year 2022 Tax Receipts

DOR collected **\$27,236,780,208** for more than 65 active tax types in FY22.



FY22 Processing Stats

Amount of Gross Collections	\$28,518,171,622
Amount of Net Collections	\$27,236,780,208
*Amount of Refunds	\$1,281,391,414
Amount of Collection Allowances	\$34,265,683
Amount of Administrative Costs	\$69,667,529
Amount of Delinquencies	\$449,041,775

Number of Taxpayers **5,127,225**

Individuals **4,683,785**

Businesses **441,119**

Government Entities **2,321**

* Excluding Automatic Taxpayers Refunds

District Office Locations

Open 8 a.m. to 4:30 p.m. local time, Monday through Friday.

1. Bloomington		
1531 S. Curry Pike, Bloomington, IN 47403		812-339-1119
2. Clarksville		
1200 Madison St., Clarksville, IN 47129		812-282-7729
3. Columbus		
4475 Ray Boll Blvd., Columbus, IN 47203		812-376-3049
4. Evansville		
500 S. Green River Rd., Evansville, IN 47715		812-479-9261
5. Fort Wayne		
7230 Engle Rd., Fort Wayne, IN 46804		260-436-5663
6. Indianapolis		
100 N. Senate Ave., Indianapolis, IN 46204		317-232-2240
7. Kokomo		
124 W. Superior St., Kokomo, IN 46901		765-457-0525
8. Lafayette		
100 Executive Dr., Lafayette, IN 47905		765-448-6626
9. Merrillville		
1411 E. 85th Ave., Merrillville, IN 46410		219-769-4267
10. Muncie		
3640 N. Briarwood Ln., Muncie, IN 47304		765-289-6196
11. South Bend		
105 E. Jefferson Blvd., South Bend, IN 46601		574-291-8270
12. Terre Haute		
30 N. 8th St., Terre Haute, IN 47807		812-235-6046

District Office Locations

1. Bloomington
2. Clarksville
3. Columbus
4. Evansville
5. Fort Wayne
6. Indianapolis
7. Kokomo
8. Lafayette
9. Merrillville
10. Muncie
11. South Bend
12. Terre Haute



Areas of Recurring Taxpayer Non-Compliance

Missing vouchers account for the majority of unidentified checks that DOR receives from customers. When this happens, DOR tax analysts must complete a manual review including research, data entry and processing. 15,090 unidentified checks were received in FY22.

Customers who file paper returns can mistakenly submit an incorrect or outdated form. When this happens, the filing process slows down and requires manual processing by a DOR tax analyst. 20,745 paper returns required manual processing in FY22.

In addition to the errors above, a total of 142,732 customer returns required manual intervention for FY22 due to one or more of the following reasons:

- Customers claimed their estimated payment on their return, but DOR records did not show any estimated payments on their account period.
- Customers failed to include their county codes on their tax returns.
- Invalid Accounts/Filing Status Mismatch – happens when customers change filing status (single, married, or filing separate).
- DOR had to verify if credits claimed by customers were claimed correctly.
- Missing numbers or words and misspelled street names appeared in the name and address section of the return.

DOR is on a mission to reduce these types of occurrences through continuous improvement in ongoing tax preparation education.



Audit Statistical Report of Violations

IC 6-8.1-14-4(2) requires DOR to provide a statistical study of audit results. The following exhibits detail the specific statutes or regulations (administrative rules) violated by taxpayers under audit. These violations are segregated by tax type: corporate income taxes, including composite tax due from pass-through entities; employer payroll withholding tax; sales and use tax; financial institutions franchise tax; miscellaneous taxes such as food and beverage and county innkeepers' tax; cigarette excise tax; motor carrier taxes imposed by International Registration Plan (IRP) and International Fuel Tax Agreement (IFTA). The figures reflect both the number of violations and the tax dollar impact.

The above-mentioned statute also provides for a segregation of the industry sector and tax amounts assessed for the rules and statutes violated. Where a customer's registration did not include an industry code (North American Industrial Classification System or "NAICS") code, the column on that exhibit has been marked as unidentified.

Typically, a field audit includes the most recent three complete tax years, though it may include more or fewer tax periods. DOR's statistical study includes results from compliance audits completed by the Business Tax Compliance (BTC) unit, which typically are limited in scope to a single tax period or transaction. This unit is organizationally separate from Audit Operations but uses the same software applications to generate tax assessments and reporting.

The final two rollouts of the new tax processing software, known as the Indiana Tax System (ITS), occurred within the past 13 months, causing data to be drawn for this study from separate legacy systems as well as ITS. Some discrepancies may result from this reporting change.

The Audit Operations division is comprised of three field audit teams, the largest of which audits for most income and sales-related taxes, including those imposed by local jurisdictions such as food and beverage and county innkeepers' taxes. A separate team audits cigarette and other excise (special) taxes, and a third team audits the motor carrier taxes.

Amount of Tax Assessed

All data gathered for this report is derived from audit working papers and posted audit results. Penalties and interest associated are excluded; these figures represent tax dollars only. Any tax refunds posted are netted against tax assessments.

For Indiana corporate income taxes, including composite tax due from pass-through entities, the largest tax impacts come from the definition of Indiana adjusted gross income, which includes required modifications (add-backs or deductions)

from federal taxable income. Other large impacts derive from apportionment and allocation of receipts for multistate businesses and the composition of affiliated groups filing consolidated income tax returns. Composite tax related to partnerships account for approximately 2% of assessments.

For Indiana sales and use taxes, the bulk of tax assessment came from retail merchants failing to obtain exemption certificates (IC 6-2.5-8-8), while the number of violations discovered includes various areas of non-compliance in collecting sales tax or in misapplying exemptions from sales tax afforded by Indiana statutes. Many larger sales/use tax audits are performed using stratified statistical sampling techniques to reduce the number of documents that need to be reviewed while maintaining desired precision and accuracy. This method is also sometimes used to evaluate claims filed by taxpayers seeking refund of sales taxes paid to vendors. The net result for 45 IAC 2.2-3-4 reflects the most separate violations.

Withholding tax due from employers totaled over \$500,000, which includes both state and local payroll tax. Cigarette excise tax audits yielded just over \$100,000 in additional tax, while IFTA and IRP audits assessed over \$3 million. Those audits of motor carriers cover all jurisdictions in which a carrier operates, so not all that tax lands in Indiana.

Cigarette Excise Tax			
Cigarette Excise Tax		IC 6-7-1-12	100,941.88
		IC 6-7-1-13	1,492.50

IFTA/IRP Tax or Fees			
IFTA	IFTA Non-Indiana Assessment Inadequate Rating		1,728,587.95
IFTA	IFTA Non-Indiana Assessment Adequate Rating		877,668.69
	IFTA Indiana Assessment Inadequate Rating		401,283.51
IRP	IRP Article X		19,122.75

Indiana Sales/Use Tax			
IC 6-2.5-8-8	Failure to retain exemption certificates		1,292,425.13
IC 6-2.5-6-1	Failure to file and report sales tax due		870,254.25
45 IAC 2.2-3-5	Use tax due on motor vehicles – failure to produce evidence of tax paid		686,491.96

Indiana Financial Institutions Tax

IC 6-5.5-4-5	Attribution of receipts related to consumer loans		1,847,329.00
45 IAC 17-2-6	Subject taxpayers – determination of transaction business within Indiana		1,420,471.00

Indiana Corporate Income Tax

	Definition of adjusted gross income; modifications required		4,258,119
45 IAC 3.1-1-51	Allocation and apportionment of receipts		3,775,370
IC 6-3-4-14	Composition of affiliated group filing consolidated income tax return		2,645,615

NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS)

Exhibit A

Class	Explanation
1	Agricultural; Forestry
2	Mining; Oil and Gas Extraction; Construction
3	Manufacturing
4	Wholesale; Retail; Transportation
5	Information; Publishing; Telecommunications; Finance; Retail Insurance; Real Estate; Leasing; Professional Services
6	Education; Health Services
7	Arts; Entertainment; Recreation; Food Services; Accommodations
8	Repair; Personal Services; Other Services
9	Public Administration; Unrelated Business Activities; Individuals

TRUST TAX AND EXCISE TAX ADJUSTMENTS

DOLLARS ASSESSED BY INDUSTRIAL CODES

Exhibit B

NAICS Class											
Citation*	Unidentified Industry	1	2	3	4	5	6	7	8	9	Grand Total
CIGARETTE (CIG)											
IC 6-7-1-12				37.20	9,637.56			4,263.62			13,938.38
IC 6-7-1-13					1,492.50						1,492.50
CIG TOTAL				37.20	11,130.06			4,263.62			15,430.88
FOOD AND BEVERAGE (FAB)											
IC 6-9-12-2				3,181.87	258,982.25			179,369.89	5,747.70	2,266.48	449,548.19
IC 6-9-12-3											
IC 6-9-20-3					845.70	1,226.00		3,941.35	14.28		6,027.33
IC 6-9-21-3	-996,899.60				-372.99			4,362.41			-992,910.18
IC 6-9-25-3					1,141.12						1,141.12
IC 6-9-26-3					147.21						147.21
IC 6-9-27-6				2,314.17				-5,381.98			-3,067.81
IC 6-9-33-3				953.57	19,868.00			59,458.63			80,280.20
IC 6-9-35-5					19,121.83			1,965.46			21,087.29
IC 6-9-41-6					1,199.40			16,848.25			18,047.65
IC 6-9-43-3								537.73			537.73
IC 6-9-48-5				1,164.29	1,325.74			27,293.91			29,783.94
IC 6-9-51-4				225.16	7,779.37			24,993.56	3,538.90		36,536.99
IC 6-9-52-4								-177.20			-177.20
FAB TOTAL	-996,899.60			7,839.06	310,037.63	1,226.00		313,212.01	9,300.88	2,266.48	-353,017.54
INTERNATIONAL FUEL TAX (IFT)											
IFTA Non-Indiana Assessment Adequate Rating			44.85	1,962.53	88,337.00	787,324.31					877,668.69
IFTA Non-Indiana Assessment Inadequate Rating		747.79	28.30	426.86	34,947.58	1,377,977.69					1,414,128.22
Indiana IFTA Assessment Adequate Rating			1,297.30	-199.76	74,861.73	5,583.34					81,542.61
Indiana IFTA Assessment Inadequate Rating		5.75	2,128.95	4,685.25	27,594.87	118,558.69					152,973.51
Supp IFTA Indiana Assessment Inadequate Rating					-54.75						-54.75
Supp IFTA Indiana Assessment Adequate Rating					-525.66						-525.66
Supp IFTA Non-Indiana Assessment Inadequate Records					-1,528.65						-1,528.65

TRUST TAX AND EXCISE TAX ADJUSTMENTS

DOLLARS ASSESSED BY INDUSTRIAL CODES

Exhibit B, Continued

NAICS Class											
Citation*	Unidentified Industry	1	2	3	4	5	6	7	8	9	Grand Total
Supp IFTA Non-Indiana Assessment Adequate Records					-1.00						-1.00
Supplemental Adjustment					-9,821.58	-338,928.11					-348,749.69
Supplemental Adjustment, Second					-55,994.62						-55,994.62
IFT TOTAL		191.84	5,451.70	9,521.46	83,512.39	231,226.89					329,904.28
INTERNATIONAL REGISTRATION PLAN (IRP)											
IRP Article X-1005			-136.62	382.75	-2,366.77	319.39					-1,801.25
IRP Article X-1015		338.30	288.56	2,263.83	21,178.24	12.58					24,081.51
IRP TOTAL		338.30	151.94	2,646.58	18,811.47	331.97					22,280.26
IRP Article X-1005		-113.78			16.13						-97.65
IRP Article X-1015					19,122.75						19,122.75
IRP TOTAL		-113.78			19,138.88						19,025.10
RETAIL SALES TAX (RST)											
45 IAC 2.2-1-1			9.21		1,985.30						1,994.51
45 IAC 2.2-2-1					1,287.53			875.50			2,163.03
45 IAC 2.2-2-2	1,712.78				25,289.90	256.20		29,328.69	3,486.67		60,074.24
45 IAC 2.2-3-12			177.22								177.22
45 IAC 2.2-3-20		3,589.80	677.36		4,263.26			279.20			8,809.62
45 IAC 2.2-3-22	521.94										521.94
45 IAC 2.2-3-24	142.83										142.83
45 IAC 2.2-3-4	8,284.78		21,821.55	1,442.43	18,428.69	-459,121.81	6,611.54	46,628.62	7,998.39	3,145.51	-344,760.30
45 IAC 2.2-3-5	793.21		67,418.75		448.00						68,659.96
45 IAC 2.2-3-8			3,428.25			169.44					3,597.69
45 IAC 2.2-3-9	1,873.20										1,873.20
45 IAC 2.2-4-1	14.40		345.10	-17.62	3,269.68	645.32	363.80	13,831.20	15.70		18,467.58
45 IAC 2.2-4-13								45,763.66			45,763.66
45 IAC 2.2-4-2					-2,814.35			-26,269.90			-29,084.25
45 IAC 2.2-4-27	1,299.60			176.59	9,945.91	469.70		262.80			12,154.60
45 IAC 2.2-4-33						19,311.40					19,311.40
45 IAC 2.2-4-8				352.26				26,723.99			27,076.25

TRUST TAX AND EXCISE TAX ADJUSTMENTS

DOLLARS ASSESSED BY INDUSTRIAL CODES

Exhibit B, Continued

NAICS Class											
Citation*	Unidentified Industry	1	2	3	4	5	6	7	8	9	Grand Total
45 IAC 2.2-5-10				36.79				-168.23			-131.44
45 IAC 2.2-5-12				-25.86				147.14			121.28
45 IAC 2.2-5-14				252.54	177.83						430.37
45 IAC 2.2-5-15			-181.89		-2,938.59	-3,287.51	-273.41	-522.38			-7,203.78
45 IAC 2.2-5-16				-152.71	-5,384.83	-727.77		-123.10			-6,388.41
45 IAC 2.2-5-26					0.27		14.37		5.20		19.84
45 IAC 2.2-5-3	1,443.54										1,443.54
45 IAC 2.2-5-36	1,267.85						583.34				1,851.19
45 IAC 2.2-5-4	36,161.81										36,161.81
45 IAC 2.2-5-8	12,138.50			-341,988.73	-155.50			-1,542.80	1,912.40		-329,636.13
45 IAC 2.2-6-14	94.99										94.99
45 IAC 2.2-6-8			18,391.50	174.82	294,125.94			-8,533.90	378.75	5,758.90	310,296.01
45 IAC 2.2-8-12	9,493.82		1,859.38	6,666.22	77,762.26	12.94		1,358.29			97,152.91
IC 6-2.5-1-24	3,162.58		249.30		789.95	871.70	416.65	825.30			6,315.48
IC 6-2.5-1-5				439.90	4,311.52			145.54			4,896.96
IC 6-2.5-2-3									558.96		558.96
IC 6-2.5-3-2			-11,837.43								-11,837.43
IC 6-2.5-3-5											0.00
IC 6-2.5-3-8	59,246.95		268.11	1,797.71	54,894.18	1,952.72	1,437.72	48,364.12	15,237.54	123.47	183,322.52
IC 6-2.5-4-1					-1,353.82			155.50			-1,198.32
IC 6-2.5-4-13					378.77						378.77
IC 6-2.5-4-17	942.99				15.50	1,157.33	94.50	131.10			2,341.42
IC 6-2.5-4-9			2,775.60	4,466.30	668.14		1.15	479.80	49,633.44		58,024.43
IC 6-2.5-5-13									-29,512.37		-29,512.37
IC 6-2.5-5-20					-682.38			165.60			-516.78
IC 6-2.5-5-35								-63.46			-63.46
IC 6-2.5-5-39	12,613.30										12,613.30
IC 6-2.5-5-4	138.20										138.20
IC 6-2.5-5-40						-895,757.33					-895,757.33
IC 6-2.5-5-46						-39,327.30					-39,327.30
IC 6-2.5-6-1	3,672.45				823,111.42			144.38			826,928.25
IC 6-2.5-7-3					479.50						479.50
IC 6-2.5-8-8			1,292,425.13								1,292,425.13
IC 6-2.5-9-3					13,121.64						13,121.64
IC 6-6-9-9						16,811.51					16,811.51
IC 6-8.1-9-1	-8,319.00										-8,319.00
RST TOTAL	-433,267.87	4,984.22	1,407,082.12	-288,974.54	2,358,833.55	828,295.29	9,249.66	807,645.52	68,316.44	13,560.84	4,775,725.23
GRAND TOTAL	-1,430,464.47	5,400.58	1,412,685.76	-268,930.24	2,713,981.98	1,061,080.15	9,249.66	1,126,549.93	77,617.32	15,827.32	4,722,997.99

CORPORATE INCOME TAX AND FINANCIAL INSTITUTIONS TAX ADJUSTMENTS

DOLLARS ASSESSED BY INDUSTRIAL CODES

Exhibit C

NAICS Class									
Citation*	Unidentified Industry	2	3	4	5	6	7	8	Grand Total
45 IAC 3.1-1-1	-1,235.00								-1,235.00
45 IAC 3.1-1-2	45,178.00								45,178.00
45 IAC 3.1-1-66	1,538.00								1,538.00
IC 6-3-1-3.5	-1,585.00								-1,585.00
IC 6-3.1-4-7	1,673.00								1,673.00
IC 6-3.1-21-6	1,177.00								1,177.00
45 IAC 3.1-1-101	89.00								89.00
45 IAC 3.1-1-153				11,144.00					11,144.00
45 IAC 3.1-1-2	14,428.00								14,428.00
45 IAC 3.1-1-3	12.00								12.00
45 IAC 3.1-1-38	145,493.00								145,493.00
45 IAC 3.1-1-4	1,347.00								1,347.00
45 IAC 3.1-1-5	346.00								346.00
45 IAC 3.1-1-51	377,537.00								377,537.00
45 IAC 3.1-1-52	17,159.00	-2,929.00		-591,882.00					-577,652.00
45 IAC 3.1-1-53	1,487.00								1,487.00
45 IAC 3.1-1-56				48,993.00					48,993.00
45 IAC 3.1-1-66	99.00								99.00
45 IAC 3.1-1-67	242,292.00		147,184.00						389,476.00
45 IAC 3.1-1-97			51.00	8.00					59.00
IC 6-3-1-3.5	792,141.00	37,195.00	5,283.00	379,958.00	3,365.00			6,277.00	1,224,219.00
IC 6-3-2-1	167.00								167.00
IC 6-3-2-12	325.00								325.00
IC 6-3-2-2.5	761.00								761.00
IC 6-3-2-2.6	-997,394.00				-1,941.00				-999,335.00
IC 6-3-4-12	161,712.00			66,753.00	569.00				229,034.00
IC 6-3-4-13	-41,655.00					4,347.00	12,727.00		-24,581.00
IC 6-3-4-14	1,969,642.00				675,973.00				2,645,615.00
IC 6-3-4-6	19,874.00	1,683.00		8,364.00	52,323.00				82,244.00
IC 6-3-4-8	17,264.72	8,998.16	57,495.54	73,995.68	9,153.93		7,179.25		174,087.28
IC 6-3.1-4-1	181,118.00	37,178.00							218,296.00
IC 6-3.1-4-2	-8,319.00								-8,319.00
IC 6-3.1-4-5			62,348.00						62,348.00
IC 6-3.1-7-6	17,344.00								17,344.00
IC 6-5.5-1-2	1,775.00								1,775.00
IC 6-5.5-2-1	9,222.00								9,222.00

CORPORATE INCOME TAX AND FINANCIAL INSTITUTIONS TAX ADJUSTMENTS

DOLLARS ASSESSED BY INDUSTRIAL CODES

Exhibit C, Continued

NAICS Class									
Citation*	Unidentified Industry	2	3	4	5	6	7	8	Grand Total
IC 6-5.5-2-3					294,779.00				294,779.00
IC 6-5.5-2-4	-1,199.00								-1,199.00
IC 6-5.5-4-10	63,526.00								63,526.00
IC 6-5.5-4-4	225,284.00								225,284.00
IC 6-5.5-4-5	1,847,329.00								1,847,329.00
IC 6-5.5-6-6	-356.00								-356.00
45 IAC 17-2-6	142,471.00								142,471.00
CORP & FIT TOTAL	5,248,067.72	82,125.16	272,361.54	-2,666.32	1,034,221.93	4,347.00	19,906.25	6,277.00	6,664,640.28

Legislative Requirements

In accordance with IC 6-8.1-14-4, the Indiana Department of Revenue Annual Report must include the following:

- Areas of recurring taxpayer noncompliance, **page 26.**
- A statistical study under IC 6-8.1-7-2 from DOR's audit process, including the following, **pages 27-34:**
 - The statute or rule violated by the taxpayers.
 - The amount of tax involved.
 - The industry or business of the taxpayers.
 - The number of years in the audit period.
 - The use of professional tax preparation assistance by the taxpayers.
 - The filing of appropriate tax returns by the taxpayers.
- Recommendations for improving taxpayer compliance and DOR administration by the following:
 - The adoption of new or amended statutes and rules, **page 15.**
 - Improvements in the training of DOR team members, **page 16.**
 - Improvements in taxpayer communication and education, **page 20.**
 - Increases in the enforcement capability of DOR, **page 22.**
- The certification required under IC 6-8.1-3-2.6, **page 1.**

Legislative Requirements Continued

5. The following information, **page 23**:
- A. The number of taxpayers: 5,127,225
 - B. The amount of gross collections: \$28,518,171,622
 - C. The amount of net collections: \$27,236,780,208
 - D. The amount of refunds: -\$1,281,391,414
 - E. The amount of customer retained collection allowances: \$34,265,683
 - F. The amount of administrative costs: \$69,667,529
 - G. The amount of delinquencies by type of tax collected by DOR: \$449,041,775







#DORGIVESBACK



Indiana Department of Revenue

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