

DEPARTMENT OF REVENUE

Strategic Plan

Fiscal Year 2017-2018 through 2021-2022

Office of Revenue

July 1, 2016

www.revenue.louisiana.gov

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INTRODUCTION

The Department of Revenue (LDR) is charged with fairly and efficiently collecting state tax revenues to fund public services, to regulate charitable gaming and the sale of alcoholic beverages and tobacco, and to support state agencies in the collection of overdue debts. Collectively, each program, unit, division and group work together to provide the core services to taxpayers of the State of Louisiana and stakeholders of the agency.

LDR has multiple programs: Tax Collection, Alcohol and Tobacco Control (ATC), Charitable Gaming and the Office of Debt Recovery (ODR) the agency's newest program which is housed within the tax collection program.

OFFICE OF REVENUE STATEMENTS

Vision

To be a results-based, innovative and focused organization that is capable of rapidly responding to the needs of its citizens/stakeholders.

Mission

To fairly and efficiently collect state tax revenues to fund public services and regulate the sale of alcoholic beverages, tobacco, and charitable gaming within Louisiana.

Philosophy and Values



Tax Collection Program

AGENCY INITIATIVES: LDR wants to continuously improve its abilities in the areas of Customer Service; Operational Effectiveness & Accuracy; and Compliance & Enforcement.

Goals:

- I. To improve the level of service provided to the citizens, businesses and stakeholders through improved operations in the customer service call center, decreased response time on incoming correspondence and improved refund processing times.
- II. Utilize processes that will strategically streamline operations and increase operating effectiveness by improving average return processing time and improving average remittance processing while increasing the percentage of funds deposited within 24 hours.
- III. Utilize efficient processes and mechanisms that encourage compliance and reduce complexity making involuntary compliance less necessary and in doing so become more productive and efficient.

PROGRAM OBJECTIVE I.1 Provide efficient delivery of information and quality service options for taxpayers to comply with state tax laws by increasing the number of taxpayer correspondence responded to within 30 days to 95% from 90% by June 30, 2022.

Strategy I.1.1 Partner with call center to ensure that taxpayer issues can be resolved on the first call thus reducing the amount of mail correspondence.

Strategy I.1.2 Cross train additional resources to assist during high volume periods.

PERFORMANCE INDICATORS: Percentage of taxpayer correspondence responded to by the Collections Division and the Business Tax Enforcement Division within 30 days (LAPAS CODE 23676).

Input: Total amount of correspondence received.

Output: Total amount of correspondence worked.

Efficiency: Percent of correspondence responded to within 30 days.

PROGRAM OBJECTIVE I.2 Improve the number of incoming phone calls answered from 90% to 92% by June 30, 2022.

Strategy I.2.1 Increase the number of taxpayer calls answered through ongoing training of call center personnel and partnership with Tier 1 Call Center partner.

PERFORMANCE INDICATORS: Call Center Phone calls answered (LAPAS CODE 25177).

Input: Total number of calls received.

Output: Total number of calls answered.

Outcome: Percent increase in calls answered.

PROGRAM OBJECTIVE I.3 Increase individual tax refunds issued within 90 days by 10% from 85% to 95% and business income tax refunds issued within 90 days by 15% from 60% to 75% by June 30, 2022.

Strategy I.3.1 Crosstrain staff to process multiple refund types.

Strategy I.3.2 Utilize seasonal staff to supplement existing team members during high volume season.

PERFORMANCE INDICATORS: Percentage of individual income refunds issued within 90 days; and, percentage of business tax refunds issued within 90 days (LAPAS CODE 25178 and 25179).

Input: Number of refunds available to be worked.

Output: Number of refunds worked.

Efficiency: Percentage of refunds issued within 90 days.

PROGRAM OBJECTIVE II.1: Improve average return processing time from 4 to 3 days by June 30, 2022.

Strategy II.1.1 Crosstrain staff on processing multiple tax return types.

Strategy II.1.2 Continue to utilize seasonal staff during high volume periods.

PERFORMANCE INDICATORS: Average return processing time in days (LAPAS CODE 25165).

Output: Number of returns processed.

Outcome: Average number of days to process a return.

PROGRAM OBJECTIVE II.2: Improve average remittance processing time from 3.59 to 2.5 days by June 30, 2022 (measured from receipt to processing).

Strategy II.2.1 Crosstrain other units in the process of data entry/validation of remittance information.

PERFORMANCE INDICATORS: Average remittance processing time in days (LAPAS CODE 25166).

Output: Number of remittances processed.

Outcome: Average number of days to process a remittance.

PROGRAM OBJECTIVE II.3: Improve percentage of funds deposited within 24 hours of receipt from 90% to 95% by June 30, 2022 (measured from receipt to processing).

Strategy II.3.1 Continue efforts to encourage electronic payments.

Strategy II.3.2 Crosstrain additional staff on check processing policies to assist during high volume periods.

PERFORMANCE INDICATORS: Percentage of funds deposited within 24 hours from receipt (LAPAS CODE 3474).

Input: Total Funds Deposited.

Output: Total Funds deposited within 24 hours.

Outcome: Percentage of funds deposited within 24 hours.

PROGRAM OBJECTIVE III.1: Reduce the percentage of “no change” tax audits to 15% by June 30, 2022 (on audits not mandated by rule or statute).

Strategy III.1.1 Intense review of audit leads to gain significant confidence of possible non-compliance with tax laws and rules.

Strategy III.1.2 Continue training efforts to identify areas of non-compliance with tax laws and rules.

PERFORMANCE INDICATORS: Percent of no-change sales tax audits (LAPAS CODE NEW).

Input: Total number of tax audits.

Output: Total number of “no change” tax audits.

Outcome: Percent of “no change” tax audits.

PROGRAM OBJECTIVE III.2: Increase the percentage of individual income tax returns audited by 10% by June 30, 2022.

Strategy III.2.1 Implement process for developing audit leads through federal/state match information.

Strategy III.2.2 Crosstrain key staff on auditing multiple tax types.

PERFORMANCE INDICATORS: Percent of income tax returns audited (LAPAS CODE NEW).

Output: Total number of income tax returns audited

Outcome: Percent increase in income tax returns audited.

PROGRAM OBJECTIVE III.3: Increase the amount of intercepted fraudulent refunds from \$13.5 million to \$20 million by June 30, 2022.

Strategy III.3.1 Continue partnering with other states to gain techniques in fraud detection.

Strategy III.3.2 Use of analytical tools such as Fraud Manager in order to perform more analytics.

Strategy III.3.3 Continue acquiring additional data sources (state agencies, national databases, etc.) to expand analytical ability.

PERFORMANCE INDICATORS: Amount of intercepted fraudulent refunds in millions (LAPAS 25174).

Output: Total number of fraudulent refunds prevented

Outcome: Total dollar amount of fraudulent refunds prevented

PROGRAM OBJECTIVE III.4: Increase the number of criminal investigations concluded each year from 1,100 to 1,400 by June 30, 2022.

Strategy III.3.1 Cross train staff on investigating multiple types of non-compliance

PERFORMANCE INDICATORS: Number of concluded investigations (LAPAS CODE NEW).

Output: Number of investigations concluded

PRINCIPAL CLIENTS OR USERS AND SERVICES RECEIVED

Citizens of Louisiana receive valuable services from other departments, agencies, and programs funded by the revenues that are generated through the Tax Collection Program. The Program encourages voluntary compliance through education and assistance efforts, but as a last resort, relies on enforcement of tax collection through audits, litigation, seizures, levies and liens to maximize compliance and revenues for the State of Louisiana and its citizens.

Taxpayers of Louisiana and Tax Practitioners receive assistance, counseling, education, and outreach services which enable them to more effectively meet their obligations to the State of Louisiana and their clients. These services are offered to both individuals as well as businesses. These stakeholders often provide useful feedback on fair and equitable administration and enforcement of these laws.

Government Agencies, Louisiana Legislators and The Governor's Office rely on the Tax Collection Program to efficiently and effectively accomplish its mission in order to accurately project and administer programs and services throughout the State of Louisiana. The Program collects and distributes collections to local jurisdictions in addition to administering the Parish E-File program. The Program also works with the Legislative Fiscal Office in the drafting of fiscal notes, and the monthly and quarterly reporting of financial information. The Tax Collection Program works closely with several Legislative Committees in consideration of tax and other closely related legislation.

Main Products and Services. The main products and services include:

- Taxpayer assistance
- Tax forms and instructions
- Tax information (manuals, brochures, opinions, policies, etc.)
- Taxpayer learning opportunities
- Website
- Online 24/7 registration, return and payment services
- Licenses, certifications, permits, tax clearances
- Revenue collection and reporting
- Delinquent account collection services
- Audit services
- Legal services
- Distribution of tax dollars to local governments
- Constituent services
- Legislative services
- Collection of Non-Tax State debt through the Office of Debt Recovery

These products and services are delivered through face-to-face contact, direct mailings, the agency's website, and in public forums.

Key Customer and Stakeholder Groups. The Program's customer and stakeholder base is one of the largest of all state government agencies. In addition to responding to all persons and entities throughout the state and nation who have Louisiana tax responsibilities, the Tax Collection Program interacts with all levels of state, local and federal governments, tax practitioners and business groups. Each type of customer requires from the department timely, accurate and understandable responses. Below is a listing of major customer and stakeholder groups and the various methods the Program employs to address their requirements and build lasting positive relationships.

- **All stakeholders**
 - Publications and brochures
 - Taxpayer assistance agents
 - Taxpayer education opportunities
 - Forms, fax and Web forms
 - Summary of current year's new tax legislation
 - Policy documents
 - Public Speaking
 - Credit card payment options
 - Service specific (refunds, collections, etc.) email proxy boxes
 - Electronic Funds Transfer (EFT) payment option
 - Electronic filing options for tax returns
 - Customer Contact Center
 - News Release
 - Listserve

- **Elected Officials**
 - Revenue collection and reporting
 - Legislative liaisons
 - Drafting assistance
 - Courtesy calls
 - Constituent services
 - Proactive response to issues

- **Other state agencies**
 - Revenue collection and reporting
 - Tax Incentive Workshops with Louisiana Economic Development (LED)
 - Dyed Fuel Program
 - International Fuel Tax Agreement (IFTA) Program
 - Refund Intercept program
 - Tobacco Master Settlement Agreement
 - Financial Institution Data Match (FIDM)

- **Individual taxpayers**
 - Volunteer Income Tax Assistance volunteers
 - Tax education for various credits
 - File Online and Web extensions
 - Outreach: filing taxes, debt collection
 - Online Tax Forms

- **Business taxpayers**
 - Policy documents
 - Taxpayer education opportunities
 - Tax Incentive workshops with LED
 - Business development with LED
 - Tax credits, exemptions, exclusions publication
 - Tax manuals
 - Special efforts related to sales tax holidays
 - LA Taxpayer Access Point (LaTAP)
 - Parish E-File
 - Email inquiry mailbox

- **Tax practitioners**
 - Forms design teams
 - Joint seminars with IRS/ERO (Enrolled Agents)
 - Articles in trade and industry newsletters
 - Speakers at CPA, LSBA, and industry seminars
 - Email inquiry mailbox

- **Local Governments**
 - Tax Distributions
 - Listserve for policy documents/comment
 - Parish E-File
 - Rule Promulgation for uniform sales tax

- **Federal Government**
 - IRS refund offset
 - IRS Fed/state liaison
 - IRS classes
 - Vendor Payment Offset Program (VPOP)

- **Other state governments**
 - Southeastern Association of Tax Administrators (SEATA)
 - Multistate Tax Commission (MTC)
 - Federation of Tax Administrators (FTA)
 - Exchange of use tax information
 - Streamlined sales tax initiatives

Key Suppliers and Partners. Our key suppliers are the citizens of Louisiana. We also rely on federal, other state and local governmental entities to supply specific information. Traditional suppliers include forms manufacturers, computer equipment companies, FAST Enterprises, ScanOptics, Microsoft, and other providers of services and supplies.

Our partners include:

Office of Alcohol & Tobacco Control
Division of Administration
LA Workforce Commission
Department of Agriculture & Forestry
Department of Civil Service
Office of Technology Services
Office of Debt Recovery
Governor's Office
Commissioner of Insurance
Department of Economic Development
Department of Environmental Quality
Department of Health & Hospitals
Department of Natural Resources
Department of Public Safety
Department of Social Services
Department of Transportation and Development
Department of Wildlife & Fisheries
Attorney General
Secretary of State
State Licensing Board of Contractors
State Treasurer
Lottery Corporation
Gaming Casinos
Print vendors for tax forms
Paper and remittance processing equipment and service vendors
Software vendors for electronic forms and filing
Internal Revenue Service (IRS)
U.S. Postal Service (USPS)
Local Governments
LA Association of Tax Administrators (LATA)
LA Association of Business & Industry (LABI)
LA Enrolled Agents
LA Municipal Association (LMA)
LA Mid-Continent Oil & Gas Association (LMOGA)
LA Oil Marketers & Convenience Store Association (LOMCSA)
LA Retailers Association (LRA)
LA School Boards Association
LA Society of Independent Accountants (LSIA)
LA State Bar Association (LSBA)
National Federation of Independent Businesses (NFIB)
Police Jury Association of LA
Society of Louisiana CPAs (LCPA)
LA Sheriff's Association
LA Police Jury Association
LA Oil and Gas Association (LOGA)
LA Chemical Association (LCA)

POTENTIAL INTERNAL FACTORS

The key potential internal factors that may adversely affect the Tax Collection Program's ability to accomplish its goals relate primarily to human and financial resources.

Tax Collection is funded by self-generated revenues (penalties and fees) and state general fund. Approximately 65% of the Tax Collection Program's budget is salaries and benefits and 22% represents inter-agency transfers. Other essential expenditures are for facilities; document and remittance processing; tax enforcement activity, printing, postage and auditor travel. In addition, essential expenditures include the technology to service all and staff training on emerging tax law issues and legislatively changes. Funding these essential services helps to maintain a high level of voluntary compliance and to preserve the Program's ability to focus on revenue collection for the State of Louisiana. Ongoing budget reductions to the Program continue to have negative impacts on internal capacity and could result in the need to divert resources from other areas, which could negatively revenue collections and erode the Program's ability to operate effectively.

The Department is still experiencing the impact from the loss of senior and mid-level managers and will continue to do so over the next five years due to previous retirement incentives. The inability to capture and transfer this institutional knowledge has had an impact on the high level of performance generally provided by the Department. Additionally, the high level of technical knowledge required of employees customarily requiring years of experience has been supplemented with the use of retired agency employees. This is not a viable long term solution and the agency has intentions to develop a proactive development plan and to redesign education efforts to allow for the transfer of knowledge. This will allow for the identification of all essential functions and positions to allow for successful succession planning.

Additionally, the Program has sustained staffing reductions since 2001 continuing through fiscal year 2015. Despite increasing workloads, the Department recognizes the pressure and demands for government to improve services with fewer resources. To meet these challenges, the Department is constantly seeking innovative processes and efficiencies in programs and activities. The continual need to integrate additional technology in the operations of the Department will constantly require adequate funding sources and higher levels of skills from the available human resources. While many of the functions and services provided by the agency can be enhanced with the integration of technology, the agency will have a challenge in maintaining the knowledge base in upcoming years due to the reduced staff and increase in service expectations.

Changes in workforce demographics, changes in State Civil Service Guidance, and economic factors may also add complexity to recruitment in a competitive employment market.

POTENTIAL EXTERNAL FACTORS

The Congressional Budget Office (CBO) has indicated that if the current legal environment governing taxes and spending continues, US Gross Domestic Product (GDP) will grow by 2.7% and 2.5% for calendar years 2016 and 2017 respectively. The CBO also predicts that there will be an estimated 2% growth in GDB for the calendar years 2018-2020. The current deflated price of oil has negatively impacted the collections to the state general fund. The Louisiana Economic Outlook: 2016 & 2017 report (LEO Report) produced by Loren C. Scott and James A. Richardson is forecasting modest growth for the State of Louisiana over the next 2 years. The LEO report is projecting job creation of 15,400 and 19,600 in years 2016 and 2017 respectively. The projections are approximately half of what was projected in the prior year's LEO report. Despite forecasts for reasonable growth going forward, changing global, national and state economic conditions, and other unpredictable events are factors that may influence the level of compliance, tax collections, resource allocations to the extent the Program must compete with other state agencies, and service delivery.

Fundamental changes in the business environment due to globalization, rapid technological advances, shifting demographics and increases in planned tax avoidance practices by individual and business taxpayers will require greater enforcement efforts through auditing and litigation. These resources may not be available because of a declining workforce and funding sources.

Some of the planned efforts to clarify policies and streamline operations of the Department may require legislative changes or support before they can be implemented.

DUPLICATION OF SERVICES

Some potential duplication of services between the Tax Collection Program and the programs administered by other state agencies include the collection of sales tax (on motor vehicles via the Department of Public Safety) and pursuit of delinquent debt (Office of the Attorney General).

PROGRAM EVALUATIONS

The goals and objectives of the Louisiana Department of Revenue through the Tax Collection Program are the result of a) internal reviews and analyses conducted by the Department over the past few years; b) external studies conducted on the Department's behalf; and c) lessons of experience learned from other states and tax collection organizations.

The external studies and sources include the following:

- Federation of Tax Administrators Performance Measurement Benchmarking Project – This organization represents the tax agencies of all states and spearheads initiatives to define and evaluate the best practices of tax agencies in the areas of performance measurement, accountability, and service innovation through technology.
- Legislative Auditor Financial Audit – Act 191
- Legislative Auditor Financial Audit – Tax Exemption Budget
- Legislative Auditor Performance Audit – Inventory Tax Credit
- Customer Service Plan (McKee & Associates)
- Policy Development Assessment
- SECURE – Comparative Review of Private Industry Practices to Government
- Comprehensive Employee Training Needs Assessment (Conducted by LSU)
- Management Skill Assessment
- State Loss Prevention Safety Audit
- State Civil Service Program Accountability Audit
- The Capability Model for I.T. – Enabled Outsourcing Service Providers (Carnegie Mellon)
- LA Society of CPAs – State Tax Bi-Annual Survey
- GCR & Associates, Inc. – Assessment of Information Technology Project Management Practices (2009)
- NASCIO-Deloitte Cybersecurity Survey for State Officials (2016)

OTHER STRATEGIC PLAN REQUIREMENTS

Louisiana Revised Statute 39:31(C) (9)

To further be recognized as a leader in tax administration, the Department strives for a unified staff and mutual respect by encouraging professionalism and integrity in the workplace. The employees of the Department of Revenue are among the state's most valuable resources, and their well-being is necessary for them to effectively and efficiently perform their duties. The Department has a long-standing commitment to employee development and support. To that end, and as affirmed in Revised Statute 39:31(C) (9), the Department is cognizant that female employees comprise the majority (77 percent) of the permanent staff within the Department. The Department believes it has various programs that are helpful and beneficial to female employees of the agency and their families. The following human resource policies are applicable to this measure:

Sexual Harassment (10.3) – The Department will not condone any sexual harassment and supports the theory that all employees be permitted to work in an environment free from unsolicited and unwelcomed sexual overtures.

Tobacco Use (10.25) – to provide a healthy environment for employees and the public.

Employee Assistance Program (10.31) – to ensure employees with personal and family problems have access to assistance in resolving such problems as alcohol or drug dependence, mental or emotional disturbances, or marital, family, financial or legal concerns.

Americans with Disabilities Act (10.33) – to ensure that necessary reasonable accommodations are provided regarding facilities, services, and communications.

Employee Substance Abuse and Drug-Free Workplace (10.34) – to maintain a drug-free workplace and workforce free of substance abuse.

Drug Free Workplace and Drug Testing (10.36) – to ensure that employees have a drug free environment in which to work.

Blood borne Pathogen Policy (10.37) – to reduce or eliminate occupational exposure to blood and other potentially infectious materials for employees.

Violence Free Workplace (10.38) – The Department maintains a violence free workplace for employees.

Worker's Compensation Return to Work Policy (10.40) – to make reasonable effort to help employees maximize their healing and facilitate their early return to work.

Selection of Personnel (20.2) – to select from as wide a range of candidates as possible and recruit the most qualified candidate in a nondiscriminatory manner.

Work Schedules and Work Hours (20.10) – to provide flexibility in work schedules and work hours for employees that encourages a healthy work/life balance

Education and Tuition Reimbursement Policy (20.23) - to encourage and assist employees in obtaining

education or training to enhance their job performance.

Family and Medical Leave (20.25) – to fairly and equitably approve leave for qualifying conditions under The Family and Medical Leave Act.

Crisis Leave Pool (20.43) - to establish and administer a pool of annual leave that may be used by eligible employees who cannot work due to the catastrophic illness or injury of themselves or an eligible family member, when, through no fault of their own, the employee has insufficient paid leave to cover the crisis period.

Telecommuting Program (20.44) – enables employees to work at an alternate work site remote to the conventional office site.

PRIMARY PERSONS BENEFITING FROM EACH OBJECTIVE

	Citizens	Individual Taxpayers	Business Taxpayers	Tax Practitioners	Government Agencies, Legislature, Governor
I.1	•	•	•	•	•
I.2	•	•	•	•	•
I.3	•	•	•	•	•
II.1	•	•	•	•	•
II.2	•	•	•	•	•
II.3	•	•	•	•	•
III.1	•	•	•	•	•
III.2	•	•		•	•
III.3	•	•		•	•
III.4	•	•	•	•	•

STATUTORY AUTHORITY

<i>Powers, Functions and Duties</i>	<i>Constitutional, Statutory, or Other Authority</i>	<i>Administered by:</i>
Administrative Provisions		
General Powers and Duties of Collector	R.S. 47:1501-1522, LAC 61:I.4903, 4905, 4910, 4911, and 4913, LAC 61:I.5105, LAC 61:III.101	Various/Delegated by the Secretary
Conduct Investigations and Hearings	R.S. 47:1541-1548	Various/Delegated by the Secretary
Assessment and Collection Procedures	R.S. 47:1561-1581, LAC 61: I.4901, 4907, and 4908, LAC 61:I.5302	Various/Delegated by the Secretary
Impose Interest and Penalties	R.S. 47:1601-1607, LAC 61:III.2101	Various/Delegated by the Secretary
Issue Refunds of Overpayments	R.S. 47:1621-1627, LAC 61:I.4909	Various/Delegated by the Secretary
Impose Criminal Penalties	R.S. 47:1641-1643	Various/Delegated by the Secretary
Miscellaneous Administrative Provisions	R.S. 47:1672-1674	Various/Delegated by the Secretary
Taxes Administered and Collected		
Alcoholic Beverage Taxes	R.S. 26:341-459, LAC 61:I.201	Taxpayer Compliance Divisions Field Audit Services Divisions
Automobile Rental Tax	R.S. 47:551	Taxpayer Compliance Divisions Field Audit Services Divisions
Corporation Franchise Tax	R.S. 47:601-618, LAC 61: I.301 et seq., LAC 61:I.1901 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Corporation Income Tax	R.S. 47:287.2-287.785, LAC 61: I.1115 et seq., LAC 61:I.1901 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Electric Cooperative Fee	R.S. 12:425	Taxpayer Compliance Divisions Field Audit Services Divisions

Powers, Functions and Duties	Constitutional, Statutory, or Other Authority	Administered by:
Estate Transfer Tax	R.S. 47:2431-2437	Taxpayer Compliance Divisions Field Audit Services Divisions
Fiduciary Income Tax and Partnerships	R.S. 47:21-107, 47:131-285, 47:300.1-300.11, LAC 61:I.1401	Taxpayer Compliance Divisions Field Audit Services Divisions
Gasoline Tax and Inspection Fee	R.S. 47:711-727, 47:771-788, 47:820.1, 47:1681-1691, 51:781-800, LAC 61: I.3101 et seq., LAC 61: I.3501	Taxpayer Compliance Divisions Field Audit Services Divisions
Gift Tax	R.S. 47:1201-1212	Taxpayer Compliance Divisions Field Audit Services Divisions
Hazardous Liquid Pipeline Fee	R.S. 30:701-707	Taxpayer Compliance Divisions Field Audit Services Divisions
Hazardous Waste Disposal Tax	R.S. 47:821-832, LAC 61: I.901 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Inheritance Tax	R.S. 47:2401-2425, LAC 61: I.1701	Taxpayer Compliance Divisions Field Audit Services Divisions
Inspection and Supervision Fee	R.S. 45:1177-1179	Taxpayer Compliance Divisions Field Audit Services Divisions
Ernest N. Morial Exhibition Hall Authority Taxes		
Hotel Room Occupancy Tax	Acts 1978, No. 305; Acts 1980, No. 99; Acts 1987, No. 390, Acts 2002 1st Ex. Sess., No. 72	Taxpayer Compliance Divisions Field Audit Services Divisions
Food and Beverage Tax	Acts 1987, No. 390	Taxpayer Compliance Divisions Field Audit Services Divisions
Service Contractor and Tour Tax	Acts 1994, No. 42	Taxpayer Compliance Divisions Field Audit Services Divisions
La. Stadium and Exposition District Hotel Tax	Acts 1966, No. 556	Taxpayer Compliance Divisions Field Audit Services Divisions
Local Sales Tax Recovery Surcharge	R.S. 47:303(B)(6)	Taxpayer Compliance Divisions

Powers, Functions and Duties	Constitutional, Statutory, or Other Authority	Administered by:
Mail Order and Internet Sales Tax	R.S. 47:302(K)	Taxpayer Compliance Divisions Field Audit Services Divisions
Marijuana and Controlled Substance Tax	R.S. 47:2601-2610	Taxpayer Compliance Divisions
Master Meter Fee	R.S. 30:560-561	Taxpayer Compliance Divisions
Natural Gas Franchise Tax	R.S. 47:1031-1040, LAC 61: I.4101 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Oilfield Site Restoration Fee	R.S. 30:80-97, LAC 61: I.5301	Taxpayer Compliance Divisions Field Audit Services Divisions
Oil Spill Contingency Fee	R.S. 30:2451-2496	Taxpayer Compliance Divisions Field Audit Services Divisions
Partnership Income Tax	R.S. 47:21-107, 47:131-285	Taxpayer Compliance Divisions Field Audit Services Divisions
Pipeline Safety and Odorization Inspection Fee	R.S. 30:560-561	Taxpayer Compliance Divisions Field Audit Services Divisions
Sales & Use Tax	R.S. 47:301-335, LAC 61: I.4301 et seq., LAC 61:1.4401 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Severance Tax	R.S. 47:631-648.21, LAC 61: I.2901 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Special Fuels Tax	R.S. 47:801-815, 47:820.1, LAC 61: I.3301 et seq	Taxpayer Compliance Divisions Field Audit Services Divisions
Surface Mining and Reclamation Fee	R.S. 30:906.1-906.3	Taxpayer Compliance Divisions Field Audit Services Divisions
Telecommunication Tax for the Deaf	R.S. 47:1061	Taxpayer Compliance Divisions Field Audit Services Divisions
Tobacco Tax	R.S. 47:841-869, LAC 61:1.5101 et seq.	Taxpayer Compliance Divisions Field Audit Services Divisions
Transportation and Communication Utilities Tax	R.S. 47:1001-1010, LAC 61: I.3901	Taxpayer Compliance Divisions Field Audit Services Divisions

<i>Powers, Functions and Duties</i>	<i>Constitutional, Statutory, or Other Authority</i>	<i>Administered by:</i>
Collection, Compliance, and Enforcement Activities		
Tax Collection/Billing	Administrative Provision; Title 11-U.S. Bankruptcy Code; Internal Revenue Code	Collections, Field Audit Services Divisions, and Tax Compliance Divisions
Refund Offset for Other Debts	R.S. 47:299.1-299.41	Collections and Business Tax Enforcement Divisions
Audit Activities	R.S. 47:1541-1543, 47:1605	Field Audit Services Divisions
Tax Incentive Programs	Multiple	Taxpayer Compliance Divisions
Tax Incremental Financing (TIF) Cooperative Endeavors	Multiple	Tax Administration Division
Field Collection Activities	R.S. 47:1569-1573	Business Tax Enforcement
Lottery Applicant Tax Clearances	R.S. 47:9050(B)	Customer Service Division
Alcoholic Beverage Sales Tax Clearances	R.S. 26:80(A)(10)	Customer Service Division
Video Poker License Tax Clearances	R.S. 27:306(F)	Customer Service Division
Legal Services	R.S. 36:451	Litigation Division
Collection of non-tax debt owed to the State of Louisiana	R.S. 47:1676, R.S. 47:296.2,R.S. 47:296.3, R.S. 47:299, R.S. 47:1570-73, R.S. 47:1677	Office of Debt Recovery

Office of Debt Recovery

MISSION

The mission of the Office of Debt Recovery (ODR) is to provide the state with an effective and efficient centralized collection system for the collection of non-tax debt, with emphasis on making collection tools available that are available for tax debts. This mission statement is operationalized in two parts: (1) Provide state agencies, universities and municipalities with an effective and efficient mechanism to submit non-tax debt for collections without disrupting their current process; (2) Provide exceptional customer service to the citizens of Louisiana by providing sufficient education on ODR process and procedures. ODR recognizes that business units within all agencies must collaborate on achieving the mission. Efforts are on-going to establish a spirit of collaboration, efficiency, and effectiveness to achieve performance goals of the office and ultimately the overarching mission.

VISION

To be a results-based, innovative and focused organization that is capable of rapidly responding to the needs of its citizens/stakeholders.

GOALS:

I. Increase agency outreach and assisting agencies in their collection practices, ODR will continue to be a customer focused organization. The resulting increase in agency participation will produce a positive Return on Investment (ROI) for the state.

II. To increase the overall success of the agency by increasing the utilization of authorized collection tools

PROGRAM OBJECTIVE I: Increase the number of participating agencies from 23% to 75% by FYE 2022.

Strategy I.1 Continue to improve agency outreach by increasing number of agency participation agreements.

Strategy I.2 Assist agencies in debt authentication by providing notification and due process assistance.

Strategy I.3 Implement specific reporting technology within ODR to allow for frequent reporting of the collections on behalf of each agency.

PERFORMANCE INDICATORS: Percentage increase in the number of participating agencies using the Office of Debt Recovery for collection efforts (LAPAS CODE NEW).

Input: Total number of eligible agencies

Output: Number of new agencies participating

Outcome: Percent increase in agency participation

PROGRAM OBJECTIVE II: Implement 100% of authorized collection tools by June 30, 2022.

Strategy II.1 Partner with other States Department of Revenue to establish reciprocal agreements for other states tax and vendor offsets.

Strategy II.2 Automate and enhance new automated case management system with functionality of automated billing, levying, garnishment, call center technology and decision making.

Strategy II.3 Provide payment agreement self-service and monitoring to all customers which will integrate with case management system.

Strategy II.4 Fully implement a financial institute data match (FIDM) program.

Strategy II.5 Install and implement driver’s license, hunting and fishing license suspension program.

Strategy II.6 Implement a process to utilize multiple outside collection agencies (OCA) while implementing a multi-level placement strategy to drive performance.

Strategy II.7 Establish data sharing agreements with Boards & commissions and LWC for skip tracing purposes and professional license suspension recommendation through the debt registry.

Strategy II.8 Implement a single entry Gaming Offset interface to be used for offsets of Lottery and Gaming winnings.

PERFORMANCE INDICATORS: Increase in the number of authorized collection tools used (LAPAS CODE NEW).

Input: Total number of collection tools available

Output: Total number of collection tools implemented fully

Outcome: Increase in collection tools utilized

OTHER STRATEGIC PLAN REQUIREMENTS

Louisiana Revised Statute 39:31(C) (9)

The office follows the same policies as the Tax Collection Program.

PRIMARY PERSONS BENEFITING FROM EACH OBJECTIVE

	Citizens/Taxpayers	Governmental Agencies
I	•	•
II	•	•

Statutory Authority

<i>Powers, Functions and Duties</i>	<i>Constitutional, Statutory, or Other Authority</i>	<i>Administered by:</i>
Centralized Collections of non-tax debt	R.S. 47:1676	Office of Debt Recovery
Gaming Offsets (Lottery, slot machines and cash gaming winnings)	R.S. 47:1676(D)(4)(a)(i)	Office of Debt Recovery
Professional License suspensions	R.S. 47:1676(D)(3)(a)	Office of Debt Recovery
Financial Institute Data Match non-tax debt	R.S. 47:1676(D)(2)	Office of Debt Recovery
Driver's License and Hunting and Fishing License suspension non-tax debt	R.S. 47:1676(3)(a)	Office of Debt Recovery

PRINCIPAL CLIENTS OR USERS AND SERVICES RECEIVED

The overarching goal of ODR is to pursue the collection of accounts or claims due and payable to the State of Louisiana through all reasonable means in a professional manner. ODR, within the Department of Revenue (LDR) is a partnership with the Office of the Attorney General (AG) and serves as a debt-collecting entity for any agency of the state and in that capacity shall collect delinquent debts on behalf of all agencies which refer delinquent debts to the office for collection. The program services the state agencies, colleges and other political subdivisions. The program offers state of the art collection services to allow its clients to focus on their core function and ensure resources are dedicated to those functions.

POTENTIAL INTERNAL FACTORS

The key potential internal factors that may adversely affect the Program's ability to accomplish its goals related primarily to the human and financial resources as well as the legal authority the Program will need to perform as described in this plan.

ODR is funded by self-generated revenues. Approximately 60% of the budget is salaries and benefits. Other essential expenditures are for facilities; document and remittance processing; printing and postage of debt notifications; outside collection agencies, various collection tools, technology to keep up with customer's increasing expectations for efficient and effective service delivery and staff training on collection best practices and legislatively approved statutory changes. Funding these essential services preserves the Program's ability to focus on delinquent debt collection for all political subdivisions in Louisiana.

POTENTIAL EXTERNAL FACTORS

The key potential external factors that may adversely affect the Program's ability to accomplish its goals related primarily to other state agencies human and financial resources to handle the transfer and monitoring of its account receivables. Most agencies have significant debt receivables but lack the resources to provide account receivable or collection data.

DUPLICATION OF SERVICES

ODR is unaware of any potential duplication of services between its program and the programs administered by other political subdivisions in Louisiana. The Office of the Attorney General does provide some collection agency services for the office, which are similar to those provided by other outside collection agencies.

ALCOHOL AND TOBACCO CONTROL

MISSION

The mission of the Office of Alcohol and Tobacco Control (ATC) is to regulate the alcoholic beverage and tobacco industries and to consistently enforce state regulations under Title 26. The agency is committed to reducing alcohol and tobacco consumption by under aged individuals and limiting their access to these products through a combination of effective education and aggressive enforcement efforts. Active coordination with other local, state and federal agencies, local law enforcement and universities is an essential part of our mission.

VISION

The Agency's vision is to support public and private interests by focusing efforts on achieving industry compliance. As the number of permitted locations continues to grow, the office seeks to provide efficient, measurable customer service.

GOALS:

- I. Provide consistent effective, efficient regulation and enforcement of the alcohol and tobacco industries to protect the citizens of Louisiana and the stakeholders in the industries
- II. Provide effective and efficient customer service to the permit holders.
- III. Limit underage individual's access to alcohol and tobacco products. Reduce the sale and distribution of unsafe and illegal tobacco and vape products.

PROGRAM OBJECTIVE I Ensure that all agents and staff apply the current policies, procedures and regulations consistently throughout the agency in all areas of enforcement. This will reduce complaints against permit holder by 10% by June 30, 2022.

Explanation of Service

Consistent regulation and enforcement begins with training. The workforce must be provided standardized operating procedure updated to reflect current policy and goals. Additionally, ATC assets should be organized to provide efficient and consistent oversight.

Strategy I.1 Develop/update enforcement and business procedure manuals to reflect current best practices.

Strategy I.2 Implement additional training using CPTP and onsite classwork to ensure all agents and staff are versed with current policies and procedures.

Strategy I.3 Appoint field training officer to be responsible for training agents in proper procedures.

Strategy I.4 Conduct quarterly coordination sessions to ensure consistency in enforcement activities.

PERFORMANCE INDICATORS: Permit holder complaints (LAPAS CODE NEW).

Input: Number of permit holders

Output: Number of permit holders with complaints

Outcome: Reduced number of permit holder complaints by 10%

PROGRAM OBJECTIVE II Decrease average time required for applicants to receive alcohol and tobacco permits from 10 days to less than 7 days.

Explanation of Service

ATC provides a licensing service for taxpayers interested in obtaining alcohol and tobacco permits. The Agency monitors locations through compliance checks and inspections to insure that the permit holders comply with the law.

Strategy II.1 Streamline permitting process through a review where non-efficient steps are eliminated.

Strategy II.2 Increase services offered on line and add additional functionality to ensure a customer focused user experience.

Strategy II.3 Increase cooperation between the agency and special event coordinators and providing more concise information in the special event applications to reduce permitting delays.

Strategy II.4 Increase training of analyst assigned to new business applications and special events to ensure a consistent message and uniform treatment.

PERFORMANCE INDICATORS: Time to issue and renew permits in days (LAPAS CODE NEW).

Input: Number of new tobacco and renewal permit request.

Output: Number of new tobacco and renewal permits processed.

Outcome: Average time to issue new licenses and renewals.

Efficiency: Reduction of the average time to issue new licenses and renewals from 10 days below 7

PROGRAM OBJECTIVE III

Increase the number of full inspections of permitted locations to 14,500 per year and increase the number of compliance checks to 9,500 in order to reduce sale of alcohol and tobacco products (including vapor products) to underage individuals.

Explanation of Service

The Agency's primary weapons in the effort to discourage illegal sales of alcohol or tobacco products to the under aged are location inspections and location compliance checks. By concentrating additional resources and exploiting opportunities to become more efficient, the agency can increase its effectiveness.

Strategy III.1 Increase the number of full inspections of permitted locations to ensure protected individuals do not have access to these products.

Strategy III.2 Increase the number of compliance checks of licensed establishments to ensure compliance with statutes regarding the sale of these products.

Strategy III.3 Increase enforcement efforts and presence in retail establishments, special events, parades and festivals to reduce minors in possession of alcohol, tobacco and vape products.

Strategy III.4 Increase investigations and enforcement operations involving vape shops and tobacco distribution

PERFORMANCE INDICATORS: Total number of compliance checks (LAPAS CODE 6858).

Output: Number of compliance inspections

Efficiency: Increase number of compliance checks to 9,500

PERFORMANCE INDICATORS: Total number of full inspections (LAPAS CODE NEW).

Output: Number of full inspections

Efficiency: Increase number of full inspections to 14,400

PRINCIPAL CLIENTS OR USERS AND SERVICES RECEIVED

Alcohol and Tobacco Control serves the taxpayers and citizens of the State of Louisiana, the alcohol and tobacco industries, manufacturers, wholesalers and retailers. The regulation of these industries encourages fair trade while simultaneously protecting the public at large from abuse opportunities. More specifically, businesses benefit from a fair trade environment created through consistent enforcement and an efficient permitting process. The general public is protected from price manipulation and irresponsible distribution of alcohol and tobacco products to the under-aged and from illegal sale unsafe alcohol, tobacco and vape products.

POTENTIAL INTERNAL FACTORS

Over the past five years, the Agency's workforce has been reduced by nearly 40% which has impacted combined services. ATC is striving to continue to work efficiently to increase enforcement and compliance efforts with only modest increases to the overall budget. Currently, the agents are each responsible for monitoring over 1000 locations on average. This could potentially reduce the effectiveness of enforcement efforts and cause delays in processing inspections and responding to complaints.

POTENTIAL EXTERNAL FACTORS

ATC is not immune from the budget reductions experienced by most state agencies. The opportunities to create savings in the budget without affecting service and collections are no longer as easy to identify. Additionally, it is increasingly challenging to ensure overall effectiveness of the agency due to: 1) the difficulty replacing and rewarding experienced employees, and 2) the increase and volume of ATC responsibilities including: out of state direct shipper oversight, management of the responsible vendor program, regulating the increasing number of permit holders, processing more new and renewal applications while working with a decreased number of agents and analyst statewide, and enforcing the increasing number of illegal activities designed to circumvent the state's enforcement efforts.

DUPLICATION OF SERVICES

ATC is unaware of any potential duplication of services between its program and the programs administered by other state agencies. The Agency is focusing its efforts on coordinating enforcement actions with local authorities in order to reduce duplication.

Louisiana Revised Statute 39:31(C) (9)

The office follows the same policies as the Tax Collection Program.

OFFICE OF CHARITABLE GAMING

MISSION

The mission of the Office of Charitable Gaming is to administer efficiently and effectively the state's charitable gaming laws in a manner that will generate the highest degree of public confidence in the integrity and fairness of games of chance.

PROGRAM GOALS

GOALS:

- I. Decrease the potential for fraud in the conducting of games of chance in the State of Louisiana.
- II. Prevent the infiltration of elements of organized crime into the charitable gaming industry.

PROGRAM OBJECTIVE I: To conduct 85 Audits per year through June 2022 and maintain a level of at least 85% without major audit findings.

Strategy I.1 Streamline processes for conducting audits.

Strategy I.2 Ensure audit resources are strategically deployed to ensure maximum audit coverage

PERFORMANCE INDICATORS: Percent of accounts without findings (LAPAS CODE NEW).

Input: Number of audits conducted each fiscal year.

Output: Number of audits without major findings.

Outcome: Percentage of audits without major findings.

PROGRAM OBJECTIVE II: To conduct 350 inspections per year through June 30, 2022 and maintain a level of at least 98% of inspections without major findings.

Strategy II Perform information distribution to licenses to ensure they are aware of all relevant requirements.

PERFORMANCE INDICATORS: Percent of accounts without findings (LAPAS CODE 23683).

Input: Number of inspections conducted each fiscal year.

Output: Number of inspections conducted without major findings.

Outcome: Percentage of inspections without major findings.

PROGRAM OBJECTIVE III: Maintain a percentage of licensees involved in charitable gaming activities without administrative actions at least 94%.

Strategy III.1 Utilize a more extensive review process for renewals and new applications to verify the legitimacy of all licensees.

Strategy III.2 Utilize audits to better compliance with sessions records and reports.

Strategy III.3 Detect fraud or potential thefts as early as possible to limit exposure to organizations and industry.

PERFORMANCE INDICATORS: Maintain 94% of licensees without administrative actions.

Input: Number of licensees eligible for review.

Output: Number of licensees not requiring administrative actions in a fiscal year.

Outcome: Percentage of licensees in compliance.

PRINCIPAL CLIENTS OR USERS AND SERVICES RECEIVED

Charitable Organizations—ensure only bona fide organizations participate and that full revenues due are received by the appropriate charitable organization to enable them to carry out their stated charitable purpose.

Commercial Halls and Distributors—ensure compliance with the law.

POTENTIAL EXTERNAL FACTORS

Some external factors that could affect the Program’s ability to accomplish its goals include unanticipated legislation, reduction in the number of charitable organizations, state economy, and the proliferation of gaming in other areas.

DUPLICATION OF SERVICES

Due to the close working relationship between this office and State Police personnel, there is no known duplication of effort.

PROGRAM EVALUATIONS

The goals and objectives of the Program described in this strategic plan are the result of internal reviews and analyses conducted by the Department.

PRIMARY PERSONS BENEFITING FROM EACH OBJECTIVE

	Taxpayers/ Citizens	Legislature/ Governor	Charitable Organizations
I	•	•	•
II	•	•	•
III	•	•	•

STATUTORY REQUIREMENTS:

Title 26 of the Louisiana Revised Statutes; Act 1188 of 1995

Act 568, effective June 30, 1999, creates the Office of Charitable Gaming within the Department of Revenue and transfers the regulatory and statutory authority from the Office of State Police. This act also enacted Chapter 11 of Title 4, all relative to the conducting and regulation of charitable gaming.

Act 1286, effective August 15, 1999, increases the annual license fees for licensed organizations.

Act 106, effective July 1, 2001, defines noncommercial lessor and allows examination of records of certain exempt organizations. This act also requires hall owners to verify lessees are properly licensed.

Act 602, effective July 1, 2003, defines a session for the purpose of charitable games of chance.

Act 614, effective July 1, 2003, is relative to electronic bingo machines and electronic pull-tab devices.

Act 736, effective August 15, 2003, provides for progressive pull-tabs during licensed sessions.

Act 871, effective July 1, 2003, is relative to licensing and regulation of charitable gaming by local governing authorities.

Act 874, effective August 15, 2004, authorized use of paperless electronic bingo dabber devices.

Act 373, effective June 30, 2005, is relative to progressive bingo jackpot games and provides that the term bingo includes electronic video bingo.

Act 630, effective July 1, 2008, provides for electronic video bingo to display bingo only after August 15, 2008.

Louisiana Revised Statute 39:31(C) (9)

The office follows the same policies as the Tax Collection Program.