

STATEMENT OF PURPOSE

RS24689

This is the FY 2017 appropriation to the State Tax Commission in the amount of \$42,650,200 with full-time equivalent positions capped at 451. This appropriation includes funding for benefit cost increases, statewide cost allocation, a 3% CEC, and the 27th pay period. The 3% CEC is a merit-based increase in employee compensation for permanent employees to be distributed at the discretion of each director. Also provided is funding for contract inflationary adjustments for GenTax maintenance, and Manatron software maintenance. Additionally, this budget includes funding for replacement items for point-of-sale software, computer supplies, network servers, software replacement, and funding for two vehicles. Line item 1 provides full funding for an enhanced maintenance model for GenTax with FAST Enterprises. Line item 2 provides funding for an identity theft fraud unit. It includes the ongoing funding for the identity theft module in GenTax, which was funded one-time last year, and 2 FTP (1 in Revenue Operations and 1 in Audit) to help alleviate identity theft workload. Line item 3 provides 2 additional tax appeals specialists to address the appeals backlog. Line item 4 provides a fund shift to the Multistate Tax Compact Fund from the General Fund to more closely match expenditures. The shift includes 1 FTP and \$94,100 in personnel costs. Line item 5 reduces funding in the Tax Commission's budget for a paralegal that has been absorbed by the Attorney General's budget. Overall, this budget is an 9.0% increase above the FY 2016 appropriation.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2016 Original Appropriation	447.00	32,175,500	6,941,100	8,000	39,124,600
Removal of One-Time Expenditures	0.00	(786,500)	(225,300)	0	(1,011,800)
FY 2017 Base	447.00	31,389,000	6,715,800	8,000	38,112,800
Benefit Costs	0.00	379,700	64,800	0	444,500
Inflationary Adjustments	0.00	49,900	11,300	0	61,200
Replacement Items	0.00	329,300	145,000	0	474,300
Statewide Cost Allocation	0.00	(114,200)	(12,600)	0	(126,800)
Change in Employee Compensation	0.00	601,500	106,800	0	708,300
27th Payroll	0.00	770,900	135,500	0	906,400
FY 2017 Program Maintenance	447.00	33,406,100	7,166,600	8,000	40,580,700
1. Enhanced GenTax Maintenance	0.00	1,342,600	237,000	0	1,579,600
2. Identity Fraud Unit	2.00	363,500	0	0	363,500
3. Tax Appeals Specialists	2.00	177,500	0	0	177,500
4. Tax Appeals Fund Shift	0.00	(94,100)	94,100	0	0
5. Paralegal to AG Budget	0.00	(43,400)	(7,700)	0	(51,100)
6. Commissioner Salary Increase	0.00	0	0	0	0
FY 2017 Total	451.00	35,152,200	7,490,000	8,000	42,650,200
Chg from FY 2016 Orig Approp	4.00	2,976,700	548,900	0	3,525,600
% Chg from FY 2016 Orig Approp.	0.9%	9.3%	7.9%	0.0%	9.0%

Contact:

Statement of Purpose / Fiscal Note

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