

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

REVENUE, DEPARTMENT OF		73000000
PGM: ADMIN SERVICES PGM		73010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		73010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
EXECUTIVE DIRECTION AND SUPPORT		
SERVICES - INFORMAL TECHNICAL		
ASSISTANCE FOR TAXPAYERS		33V0110
SALARY RATE		000000
SALARY RATE.....	245,694-	
	=====	
SALARIES AND BENEFITS		010000
	6.00-	
GENERAL REVENUE FUND -STATE	270,000-	1000 1
	=====	
TOTAL: EXECUTIVE DIRECTION AND SUPPORT		33V0110
SERVICES - INFORMAL TECHNICAL		
ASSISTANCE FOR TAXPAYERS		
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	270,000-	
TOTAL SALARY RATE.....	245,694-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE:
 Issue Summary
 Priority #18

IT COMPONENT? NO

This strategy proposes to reduce 6 full-time equivalent (FTE) positions and \$270,000 in General Revenue in the Salaries and Benefits category in the Executive Direction and Support Services Program.

This reduction would eliminate informal technical assistance that is currently provided to taxpayers through the Office of Technical Assistance and Dispute Resolution (TADR). Assistance is provided through informal (non-binding) letters of technical assistance (approximately 1,000 letters are issued in a year), the answering of phone calls, and responses to e-mails. These forms of assistance, which are the primary means utilized by taxpayers for seeking informal advice, would no longer be provided by TADR under this proposal.

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
PGM: ADMIN SERVICES PGM		73010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		73010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
EXECUTIVE DIRECTION AND SUPPORT		
SERVICES - INFORMAL TECHNICAL		
ASSISTANCE FOR TAXPAYERS		33V0110

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1705 SENIOR TAX SPECIALIST							
C1001 002	6.00-	245,694-		103,000-	348,694-	0.00	348,694-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							348,694-
	6.00-	245,694-		103,000-	348,694-		348,694-
OTHER SALARY AMOUNT							
1000 GENERAL REVENUE FUND							78,694
							270,000-

EXECUTIVE DIRECTION AND SUPPORT							
SERVICES - EXPENSE							33V0130
EXPENSES							040000
GENERAL REVENUE FUND	-STATE	100,000-					1000 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Summary
 Priority # 01

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES
REVENUE, DEPARTMENT OF		73000000
PGM: ADMIN SERVICES PGM		73010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		73010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
EXECUTIVE DIRECTION AND SUPPORT		
SERVICES - EXPENSE		33V0130

This strategy proposes a \$100,000 reduction in General Revenue Expense funding. This reduction is based on cost management and reduction strategies across all Executive Offices in the Department of Revenue.

TOTAL: EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND.....	6.00- 370,000-	1000
SALARY RATE.....	245,694-	
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		73000000
		73310000
		13
		<u>1304.00.00.00</u>
		33V0000
		33V0330

REVENUE, DEPARTMENT OF
CHILD SUPPORT ENFORCEMENT
 HEALTH AND HUMAN SERVICES
SERVICES/MOST VULNERABLE
 PROGRAM REDUCTIONS
 CHILD SUPPORT PROGRAM - POSTAL
 SAVINGS FROM REVISED MAILING
 PRACTICES

2014. Implementation costs would be minimal and would be absorbed within existing resources.

2) Amend Sections 61.1301 and 409.2574, F.S., to allow deemed income deduction notices and continuation of support notices to be sent by regular mail rather than certified mail. This will provide a more efficient process for notifying customers. The regular mail cost would be \$0.46 per notice, a savings of \$5.65 each for a total savings of \$39,064 annually. This assumes that this SFY2014-2015 issue is approved and statutory changes are effective July 1, 2014. Implementation costs would be minimal and would be absorbed within existing resources.

The Department currently sends notices for the following enforcement actions by regular mail:

- Past due notices 1, 2 and 3
- Driver license suspension
- Consumer reporting
- Business, professional and recreational license suspension
- Contempt, notice of hearing
- Income deduction
- IRS-passports-admin offset

Notice	Mailed Annually	Savings per notice	Total Savings
Administrative Paternity/Support	12,000	\$4.75	\$57,000
Deemed Income Deduction	4,082	\$5.65	\$23,063
Continuation of Support	2,832	\$5.65	\$16,001
Total			\$96,064

If this potential reduction is accepted, the impact on the provision of services will be minimal.

CHILD SUPPORT PROGRAM - LIMIT
 THE VOLUME OF OUTBOUND MAIL
 EXPENSES

33V0710
 040000

GENERAL REVENUE FUND	-MATCH	765,000-
FEDERAL GRANTS TRUST FUND	-FEDERL	1,485,000-

TOTAL APPRO.....		2,250,000-
		=====

1000 2
 2261 3

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		73000000
		73310000
		13
		<u>1304.00.00.00</u>
		33V0000
		33V0710

REVENUE, DEPARTMENT OF
CHILD SUPPORT ENFORCEMENT
 HEALTH AND HUMAN SERVICES
SERVICES/MOST VULNERABLE
 PROGRAM REDUCTIONS
 CHILD SUPPORT PROGRAM - LIMIT
 THE VOLUME OF OUTBOUND MAIL

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE:
 Issue Summary:
 Priority #17

IT COMPONENT? NO

This strategy proposes a \$2,250,000 reduction in Expenses (\$765,000 General Revenue and \$1,485,000 Federal Grants Trust Fund) based on the Child Support Program (CSE) controlling the volume of its outbound mail that is sent for the purposes of locating parents and establishing and enforcing support orders.

Mailings will be capped based upon available postage funding, requiring CSE to frequently prioritize and control the volume of outbound mailings. While the program continually seeks to use its outbound mail budget as effectively as possible, and looks for lower cost alternatives to interact with customers, a reduction of this magnitude could lead to some forms and notices not being sent as frequently, adversely affecting performance and collections. Based upon the program's Federal Fiscal Year 2011-12 cost effectiveness of \$5.88 of child support distributed per \$1 expended, the adverse effect on collections will be approximately \$13,230,000.

If the United States Postal Service's proposed January 2014 rate increase is approved, this impact would be more severe, as the Department of Revenue is not seeking funds to cover the new rates.

CHILD SUPPORT PROGRAM - INTERNAL
 REVENUE SERVICE TAX REFUND
 INTERCEPT OFFSET FEE
 SPECIAL CATEGORIES
 PUR/SVCS-CHILD SUPP ENF

33V0900
 100000
 102877

GENERAL REVENUE FUND	-MATCH	170,000-	
FEDERAL GRANTS TRUST FUND	-FEDERL	330,000-	
TOTAL APPRO.....		500,000-	

1000 2
 2261 3

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE:
 Issue Summary:
 Priority #14

IT COMPONENT? NO

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		73000000
REVENUE, DEPARTMENT OF		73310000
<u>CHILD SUPPORT ENFORCEMENT</u>		13
HEALTH AND HUMAN SERVICES		<u>1304.00.00.00</u>
<u>SERVICES/MOST VULNERABLE</u>		33V0000
PROGRAM REDUCTIONS		
CHILD SUPPORT PROGRAM - INTERNAL		
REVENUE SERVICE TAX REFUND		
INTERCEPT OFFSET FEE		33V0900

This strategy proposes to reduce the Child Support Program's (CSE's) budget for the IRS offset fee by \$500,000 (\$170,000 General Revenue and \$330,000 Federal Grants Trust Fund).

States are required to pay a fixed fee of \$14.65 per tax refund intercept processed by the federal treasury. The budget was increased during Fiscal Year 2011-12 through an internal realignment of Purchase of Services funds in order to pay for an unprecedented volume of tax offset collections, some of which were due to tax refund fraud. Based upon calendar year 2013 volume, the program could reduce its Purchase of Services appropriation by \$500,000 without adversely affecting services or performance. This reduction creates a risk that the volume of transactions could increase at a later date, which will require resources.

The IRS intercept payments for the past 3 fiscal years were: FY 2010/11 - \$1,696,889 FY 2011/12 - \$1,940,506 FY 2012/13 - \$1,306,424

The IRS intercept budget for SFY 2013-2014 is \$2,154,000.

CHILD SUPPORT PROGRAM - FUNDING
 FOR CHILD SUPPORT SERVICES PARTNER
 PROVIDERS
 SPECIAL CATEGORIES
 PUR/SVCS-CHILD SUPP ENF

33V1170
 100000
 102877

GENERAL REVENUE FUND -MATCH 1,085,972-
 FEDERAL GRANTS TRUST FUND -FEDERL 2,108,063-

1000 2
 2261 3

TOTAL APPRO..... 3,194,035-
 =====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE:
 Issue Narrative:
 Priority #19

IT COMPONENT? NO

This strategy proposes a \$3,194,035 reduction in Expenses (\$1,085,972 in General Revenue and \$2,108,063 in Federal Grants Trust Fund) based on the Child Support Program (CSE) prioritizing and reducing the volume of the legal referrals required to establish and enforce orders, and by reducing the volume of paternity establishments.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

REVENUE, DEPARTMENT OF		73000000
<u>CHILD SUPPORT ENFORCEMENT</u>		73310000
HEALTH AND HUMAN SERVICES		13
<u>SERVICES/MOST VULNERABLE</u>		<u>1304.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CHILD SUPPORT PROGRAM - FUNDING		
FOR CHILD SUPPORT SERVICES PARTNER		
PROVIDERS		33V1170

CSE partners such as the Florida Attorney General (AG) and the Office of the State Courts Administrator (OSCA) will be required to maintain their costs at their Fiscal Year 2012-13 levels. AG and OSCA costs are primarily associated with staffing, therefore the agencies will likely be required to maintain 2012-13 position vacancy levels. This reduction will adversely affect services provided to customers, program performance and collections. Based upon the program's Federal Fiscal Year 2011-12 cost effectiveness of \$5.88 of child support distributed per \$1 expended, the adverse effect on collections will be \$18,780,925.

CHILD SUPPORT PROGRAM - SALARIES			
AND BENEFITS			33V1680
SALARIES AND BENEFITS			010000
GENERAL REVENUE FUND	-MATCH	680,000-	1000 2
FEDERAL GRANTS TRUST FUND	-FEDERL	1,320,000-	2261 3

TOTAL APPRO.....		2,000,000-	
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Summary:

Priority #16

This strategy proposes to reduce the Child Support Program's (CSE's) salaries and benefits appropriation by \$2,000,000 (\$680,000 General Revenue and \$1,320,000 Federal Grants Trust Fund) on either a non-recurring or recurring basis. To generate the \$2,000,000 required for this reduction, the program will be required to maintain at least a 4% vacancy rate during the year through hiring slowdowns/freezes and limitations on the use of overtime. The Department requests to retain all of its current CSE positions in order to ensure a constant staffing rate during the fiscal year. This reduction could adversely affect services provided to customers.

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
<u>CHILD SUPPORT ENFORCEMENT</u>		73310000
HEALTH AND HUMAN SERVICES		13
<u>SERVICES/MOST VULNERABLE</u>		<u>1304.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CHILD SUPPORT PROGRAM - SALARIES AND BENEFITS		33V1680

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
1000 GENERAL REVENUE FUND							680,000-
2261 FEDERAL GRANTS TRUST FUND							1,320,000-

							2,000,000-
							=====

CHILD SUPPORT PROGRAM - ELIMINATE							
1-800 KIDS LINE							33V2080
EXPENSES							040000
GENERAL REVENUE FUND -MATCH	340,000-						1000 2
FEDERAL GRANTS TRUST FUND -FEDERL	660,000-						2261 3

TOTAL APPRO.....	1,000,000-						
	=====						

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Summary:

Priority #15

This strategy proposes to eliminate the toll free 1-800 KIDS line and replace it with a local (Tallahassee) phone number. This would result in a savings of \$1,000,000 (\$340,000 General Revenue and \$660,000 Federal Grants Trust Fund), enabling the Child Support Program (CSE) to reduce its Expenses funding accordingly.

The 1-800 toll free telephone line provides agent assisted case specific information and automated educational messages to customers. The line is available 5-days a week from 7:30 AM until 6:00 PM EST. The 1-800 line averages over 4.9

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
REVENUE, DEPARTMENT OF		73000000
<u>CHILD SUPPORT ENFORCEMENT</u>		73310000
HEALTH AND HUMAN SERVICES		13
<u>SERVICES/MOST VULNERABLE</u>		<u>1304.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CHILD SUPPORT PROGRAM - ELIMINATE		
1-800 KIDS LINE		33V2080

million minutes of phone air time per month. Approximately 8.7 million phone calls are made to the 1-800 line annually. CSE has implemented other self-service options that customers can use, including e-services, web chat and self-help stations.

The average monthly cost of the 1-800 line is approximately \$100,000. The shift to a local phone number will require the installation of 25 additional T1 lines to accommodate the volume of incoming calls to a local customer contact phone line. The recurring cost associated with the T1 lines is estimated to be \$15,000 per month based upon a monthly cost estimate of \$600 per T1 line. This will result in a monthly savings of \$85,000 (\$100,000 - \$15,000). There will be non-recurring costs associated with replacing the 1-800 phone line information wherever it appears on forms and notices. It is anticipated that these forms and notice changes could be completed at minimal cost and within existing resources.

A Schedule VIII-C issue to use the funds from this reduction to expand other more efficient customer service options has also been submitted.

STATE FUNDING REDUCTIONS		3300000
CHILD SUPPORT PROGRAM - CLERK OF		
THE COURT CHILD SUPPORT ENFORCEMENT		
COLLECTION SYSTEM TRUST FUND		3302040
SPECIAL CATEGORIES		100000
PUR/SVCS-CHILD SUPP ENF		102877
COURT/CSE COLL SYS TF	-STATE	196,504-
	=====	
		2115 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Summary:
 Proposal #8

This strategy proposes to eliminate \$196,504 in unfunded Purchase of Services category budget authority in the Clerk of Court Child Support Enforcement Collection System Trust Fund (2115).

Pursuant to s. 61.181(2)(b) F.S., this trust fund is used exclusively for the development, implementation, and operation of the Clerk of Court Child Support Enforcement Collection System to be operated by the depositories, including the automation of civil case information necessary for the State Case Registry. The Department of Revenue (DOR) is required to contract with the Florida Association of Court Clerks and the depositories to design, establish, operate, and maintain the automation of the depositories, including the capacity to electronically transfer information to DOR.

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES
REVENUE, DEPARTMENT OF		73000000
<u>CHILD SUPPORT ENFORCEMENT</u>		73310000
HEALTH AND HUMAN SERVICES		13
<u>SERVICES/MOST VULNERABLE</u>		<u>1304.00.00.00</u>
STATE FUNDING REDUCTIONS		3300000
CHILD SUPPORT PROGRAM - CLERK OF		
THE COURT CHILD SUPPORT ENFORCEMENT		
COLLECTION SYSTEM TRUST FUND		3302040

Pursuant to s. 61.181(2)(b) F. S., the Department's obligation to fund the automation of the depositories is limited to the state share of funds available in the Clerk of the Court Child Support Enforcement Collection System Trust Fund. Current revenues in the trust fund are less than the full amount of the appropriation.

TOTAL: SERVICES/MOST VULNERABLE		<u>1304.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	3,073,634-	1000
TRUST FUNDS	6,162,969-	2000

TOTAL PROG COMP.....	9,236,603-	
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		73000000
REVENUE, DEPARTMENT OF		73410000
GENERAL TAX ADMINISTRATION		16
GOV OPERATIONS/SUPPORT		1601.00.00.00
GOVERNMENTAL OPERATIONS		33V0000
PROGRAM REDUCTIONS		
GENERAL TAX ADMINISTRATION - TAX		
RETURN PROCESSING EFFICIENCY		
IMPROVEMENT FROM SUNTAX SYSTEM		
ENHANCEMENT		33V4010
SALARY RATE		000000
SALARY RATE.....	79,626-	
	=====	
SALARIES AND BENEFITS		010000
	3.00-	
GENERAL REVENUE FUND -STATE	123,855-	1000 1
	=====	
TOTAL: GENERAL TAX ADMINISTRATION - TAX		33V4010
RETURN PROCESSING EFFICIENCY		
IMPROVEMENT FROM SUNTAX SYSTEM		
ENHANCEMENT		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	123,855-	
TOTAL SALARY RATE.....	79,626-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Narrative:
 Priority #02

This strategy proposes a reduction of 3 full-time equivalent positions (FTE) and \$123,855 in Salaries and Benefits in General Revenue in the General Tax Administration Program.

The proposed elimination of these positions is related to a process improvement achieved by adding an automated correction feature for the sales tax applied date in the System for Unified Taxation (SUNTAX). This improvement has lowered the exception rate and increased efficiencies in the return reconciliation and collection units. As a result, fewer positions are required.

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT CODES

REVENUE, DEPARTMENT OF 73000000
GENERAL TAX ADMINISTRATION 73410000
 GOV OPERATIONS/SUPPORT 16
GOVERNMENTAL OPERATIONS 1601.00.00.00
 PROGRAM REDUCTIONS 33V0000
 GENERAL TAX ADMINISTRATION - TAX
 RETURN PROCESSING EFFICIENCY
 IMPROVEMENT FROM SUNTAX SYSTEM
 ENHANCEMENT 33V4010

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1700 REVENUE SPECIALIST II							
C1001 001	3.00-	79,626-		11,625-	91,251-	0.00	91,251-

TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							91,251-
	3.00-	79,626-		11,625-	91,251-		91,251-
	=====	=====	=====	=====	=====		=====
OTHER SALARY AMOUNT							
1000 GENERAL REVENUE FUND							32,604-

							123,855-
							=====

GENERAL TAX ADMINISTRATION -
 ELIMINATION OF SALES TAX COLLECTION
 ALLOWANCE FOR PAPER FILERS 33V4020
 SALARY RATE 000000
 SALARY RATE..... 187,784-
 =====

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT

 CODES

REVENUE, DEPARTMENT OF
 GENERAL TAX ADMINISTRATION 73000000
 GOV OPERATIONS/SUPPORT 73410000
 GOVERNMENTAL OPERATIONS 16
 PROGRAM REDUCTIONS 1601.00.00.00
 GENERAL TAX ADMINISTRATION - 33V0000
 ELIMINATION OF SALES TAX COLLECTION
 ALLOWANCE FOR PAPER FILERS 33V4020

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1700 REVENUE SPECIALIST II							
C1005 001	2.00-	53,084-		7,750-	60,834-	0.00	60,834-
2011 EDP TECHNICIAN							
C1003 001	3.00-	62,208-		9,082-	71,290-	0.00	71,290-

TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							215,200-
	8.00-	187,784-		27,416-	215,200-		215,200-
	=====	=====	=====	=====	=====		=====

OTHER SALARY AMOUNT
 1000 GENERAL REVENUE FUND 80,491-

 295,691-
 =====

GENERAL TAX ADMINISTRATION - POSTAL
 SAVINGS FROM REVISED MAILING
 PRACTICES 33V4030
 EXPENSES 040000

 GENERAL REVENUE FUND -STATE 56,500-
 =====
 1000 1

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT CODES

REVENUE, DEPARTMENT OF 73000000
GENERAL TAX ADMINISTRATION 73410000
 GOV OPERATIONS/SUPPORT 16
GOVERNMENTAL OPERATIONS 1601.00.00.00
 PROGRAM REDUCTIONS 33V0000
 GENERAL TAX ADMINISTRATION - POSTAL
 SAVINGS FROM REVISED MAILING
 PRACTICES 33V4030

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Summary:
 Priority #09

This strategy proposes a \$56,500 reduction to General Revenue in the Expenses category of the General Tax Administration Program as a result of eliminating the requirement for mailing the notice of levy for bank garnishments to financial institutions by certified mail.

Notices will instead be sent by regular mail. Statutory changes to sections 213.67(3) and 213.67(6)(b), F.S., will be required to implement this proposal. During Fiscal Year 2014-15, it is estimated that 10,000 notices will be mailed. The certified mail cost attributed to this service is \$6.11 per item, and this change would result in a \$5.65 postage savings per item. The department would continue to notify taxpayers via certified mail regarding the intent to levy and to inform them of their protest rights.

GENERAL TAX ADMINISTRATION -
 DISCONTINUE PRINTING/MAILING
 TAXPAYER INFORMATION PUBLICATIONS
 (TIPS) 33V4040
 EXPENSES 040000
 GENERAL REVENUE FUND -STATE 445,357- 1000 1
 =====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Summary:
 Priority #11

This strategy proposes a \$445,357 reduction to the Expenses category in General Revenue from discontinuing the printing and mailing of Tax Information Publications (TIPS) that are not statutorily required.

Over the last four fiscal years, the average number of TIPS mailed annually by the General Tax Administration Program (GTA) was 1.4 million. The information in TIPS is currently posted on the Department's Internet site, and electronic notifications are sent directly to subscribers opting to receive such updates. This concept is consistent with expanding

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT CODES

REVENUE, DEPARTMENT OF 73000000
GENERAL TAX ADMINISTRATION 73410000
 GOV OPERATIONS/SUPPORT 16
GOVERNMENTAL OPERATIONS 1601.00.00.00
 PROGRAM REDUCTIONS 33V0000
 GENERAL TAX ADMINISTRATION -
 DISCONTINUE PRINTING/MAILING
 TAXPAYER INFORMATION PUBLICATIONS
 (TIPS) 33V4040

self-service for taxpayers and moving toward a paperless environment. It is expected that this proposal will have a minimal impact on customers, since the majority of TIPS recipients are businesses that have internet access.

GENERAL TAX ADMINISTRATION -
 DISCONTINUE MAILING CORPORATE
 INCOME TAX RETURNS 33V4050
 EXPENSES 040000

GENERAL REVENUE FUND -STATE 24,188- 1000 1
 =====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Summary:
 Priority #12

This strategy proposes a \$24,188 reduction to General Revenue in the Expenses category of the General Tax Administration Program as a result of eliminating the mailing of Corporate Income Tax (CIT) return forms.

Approximately 83% of the CIT returns are currently filed using alternative forms or are submitted electronically, even though CIT return forms are mailed to all customers. This proposal would discontinue the mailing of CIT return forms. CIT return forms would remain available through the Department's Internet site. The proposed reduction would eliminate funds currently used for printing, postage and envelopes.

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
			73000000
			73410000
			16
			<u>1601.00.00.00</u>
			33V0000
			33V4060
			040000
GENERAL REVENUE FUND	-STATE 17,502-		1000 1
	=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Summary:
 Priority #13

This strategy proposes a reduction of \$17,502 to General Revenue in the Expenses category of the General Tax Administration Program that will be achieved by printing sales and use tax annual resale certificates on white paper instead colored paper.

GENERAL TAX ADMINISTRATION -			
DISCONTINUE DOCUMENTARY STAMP			
AUDITS			33V4070
SALARY RATE			000000
SALARY RATE.....	736,294-		
	=====		
SALARIES AND BENEFITS			010000
	21.00-		
GENERAL REVENUE FUND	-STATE 1,077,669-		1000 1
	=====		
TOTAL: GENERAL TAX ADMINISTRATION -			33V4070
DISCONTINUE DOCUMENTARY STAMP			
AUDITS			
TOTAL POSITIONS.....	21.00-		
TOTAL ISSUE.....	1,077,669-		
TOTAL SALARY RATE.....	736,294-		
	=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Narrative:
 Priority #20

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
<u>GENERAL TAX ADMINISTRATION</u>		73410000
<u>GOV OPERATIONS/SUPPORT</u>		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
GENERAL TAX ADMINISTRATION -		
DISCONTINUE DOCUMENTARY STAMP		
AUDITS		33V4070

In order to meet the Department of Revenue's General Revenue reduction target, this strategy proposes to eliminate 21 full-time equivalent positions (FTE) and \$1,077,669 in the Salaries and Benefits category in the General Tax Administration Program (GTA) by discontinuing the performance of documentary stamp audits.

In 2006, the Department dedicated staff to auditing documentary stamp remittances. Since that time, due to education efforts and audit coverage, the error ratio for incorrect documentary stamp tax remittances has decreased. With the elimination of audit coverage, the error ratio could rise, which could put a portion of the approximately \$127,300,000 in voluntary remittances in jeopardy of not being remitted or collected.

In addition, it is estimated that approximately \$10,800,000 of enforced revenue collections for documentary stamps could be in jeopardy of not being collected if this reduction is adopted, based on Fiscal Year 2012-13 collections.

Approximately, \$6,900,000 of those enforced collections directly benefits General Revenue.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1506 TAX AUDITOR II							
C0001 001	9.00-	294,282-		143,658-	437,940-	0.00	437,940-
1509 TAX AUDITOR III							
C0002 001	10.00-	364,690-		165,125-	529,815-	0.00	529,815-
1510 TAX AUDITOR IV							
C0003 001	2.00-	77,322-		33,665-	110,987-	0.00	110,987-

TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							1,078,742-
	21.00-	736,294-		342,448-	1,078,742-		1,078,742-
	=====	=====	=====	=====	=====		=====

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
GENERAL TAX ADMINISTRATION		73410000
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
GENERAL TAX ADMINISTRATION - DISCONTINUE DOCUMENTARY STAMP AUDITS		33V4070

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
OTHER SALARY AMOUNT						
1000	GENERAL REVENUE FUND					1,073

						1,077,669-
						=====

GENERAL TAX ADMINISTRATION - LEASE SAVINGS EXPENSES						33V4080 040000
GENERAL REVENUE FUND -STATE	53,701-					1000 1
	=====					

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE:
 Issue Summary:
 Priority #04

IT COMPONENT? NO

This strategy proposes a \$53,701 reduction to General Revenue in the Expenses category of the General Tax Administration Program resulting from lease savings actions for the Department's Clearwater, Port Richey and Tampa service centers.

The reduction amount is based on anticipated lease payment savings resulting from lease actions during Fiscal Year 2013-14. The Clearwater service center will be relocating from a private lease into a state-owned facility in September 2013. The Port Richey facility will be relocating from a privately owned leased space to another privately owned facility with a lower lease rate in nearby Holiday, and in Tampa the Department negotiated a lower rate to stay in the current location when the original lease expired in August 2013.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

REVENUE, DEPARTMENT OF		73000000
<u>GENERAL TAX ADMINISTRATION</u>		73410000
<u>GOV OPERATIONS/SUPPORT</u>		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
STATE FUNDING REDUCTIONS		3300000
GENERAL TAX ADMINISTRATION -		
REPAYMENT OF FEDERAL ADVANCE -		
REEMPLOYMENT ASSISTANCE		3300100
SPECIAL CATEGORIES		100000
ADM OF UC TAX		100220
FEDERAL GRANTS TRUST FUND -RECPNT	387,700-	2261 9
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Summary:
 Priority #07

This strategy proposes a reduction to the Administration of Unemployment Compensation Tax appropriation category of \$387,700 in the Federal Grants Trust Fund.

This eliminates the recurring funding that was authorized in Line Item 3073H of the 2013-14 General Appropriations Act for the purpose of repaying the interest assessment on federal advances to the Unemployment Compensation Trust Fund at the Department of Economic Opportunity. All federal advances have been repaid and the recurring funding is no longer needed.

REDUCTION DUE TO CONSOLIDATION INTO
 THE FLORIDA FACILITIES POOL
 EXPENSES

3303500
 040000

GENERAL REVENUE FUND -STATE 173,350-
 =====

1000 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Summary:
 Priority #06

This strategy proposes a recurring Expense reduction of \$173,350 resulting from lease savings associated with relocating from privately owned leased office space to state-owned space in the Orlando area.

As part of the state's overall plan for consolidation of state agency offices into state-owned space, the Department of Revenue (DOR) will be relocating General Tax Administration and Property Tax Oversight staff from its current service

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		73000000
		73410000
		16
		<u>1601.00.00.00</u>
		3300000
		3303500

REVENUE, DEPARTMENT OF
GENERAL TAX ADMINISTRATION
 GOV OPERATIONS/SUPPORT
GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 REDUCTION DUE TO CONSOLIDATION INTO
 THE FLORIDA FACILITIES POOL

73000000
 73410000
 16
1601.00.00.00
 3300000
 3303500

center in Maitland to the Neal Hurston Building in Orlando.

These savings are based on lower lease payments for the Hurston Building than DOR is currently paying for its private facility lease. This savings amount, calculated by the Department of Management Services, is based on a projected October 1, 2014 occupancy date (three quarters of the fiscal year).

FUND SHIFT
 TRANSFER GENERAL REVENUE TO THE
 OPERATING TRUST FUND - ADD
 SALARIES AND BENEFITS

3400000
 3400110
 010000

OPERATING TRUST FUND -STATE 2,397,747
 =====

2510 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 14-15 NARRATIVE:
 Issue Narrative
 Priority #10

IT COMPONENT? NO

This strategy proposes a \$2,397,747 fund shift from General Revenue to the Operating Trust Fund in the Salaries and Benefits category in the General Tax Administration Program (GTA) in order to meet the Department's General Revenue reduction target.

The Department of Revenue (DOR) is statutorily authorized to retain a minimal percentage of certain taxes and fees that it collects and distributes to cover administrative costs associated with those responsibilities. These revenues are collected into the Operating Trust Fund where they support over \$66 million in operating budget appropriation in the Executive Direction, Information Services and General Tax Administration Programs. DOR currently retains only a small proportion of the amount is it authorized to retain from most of these taxes and fees.

This fund shift will generate a \$2,397,747 reduction in DOR's General Revenue appropriation, while allowing the Department to remain well below its statutorily allowed retention percentages.

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
<u>GENERAL TAX ADMINISTRATION</u>		73410000
<u>GOV OPERATIONS/SUPPORT</u>		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
FUND SHIFT		3400000
TRANSFER GENERAL REVENUE TO THE OPERATING TRUST FUND - ADD		3400110

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
OTHER SALARY AMOUNT						
2510	OPERATING TRUST FUND					2,397,747

						2,397,747
						=====

TRANSFER GENERAL REVENUE TO THE OPERATING TRUST FUND - DEDUCT SALARIES AND BENEFITS						3400120 010000
GENERAL REVENUE FUND	-STATE	2,397,747-				1000 1
						=====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO
 Issue Narrative
 Priority #10

This strategy proposes a \$2,397,747 fund shift from General Revenue to the Operating Trust Fund in the Salaries and Benefits category in the General Tax Administration Program (GTA) in order to meet the Department's General Revenue reduction target.

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This fund shift will generate a \$2,397,747 reduction in DOR's General Revenue appropriation, while allowing the

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
GENERAL TAX ADMINISTRATION		73410000
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
FUND SHIFT		3400000
TRANSFER GENERAL REVENUE TO THE		
OPERATING TRUST FUND - DEDUCT		3400120

Department to remain well below its statutorily allowed retention percentages.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS	
A93 - SCH VIIIIB-2 REDUCTIONS								
CHANGES TO CURRENTLY AUTHORIZED POSITIONS								
OTHER SALARY AMOUNT								
1000 GENERAL REVENUE FUND							2,397,747-	

							2,397,747-	
							=====	
TOTAL: GOVERNMENTAL OPERATIONS								<u>1601.00.00.00</u>
BY FUND TYPE								
GENERAL REVENUE FUND		4,665,560-					1000	
TRUST FUNDS		2,010,047					2000	

TOTAL POSITIONS.....	32.00-							
TOTAL PROG COMP.....		2,655,513-						
TOTAL SALARY RATE.....	1,003,704-							
		=====						

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
REVENUE, DEPARTMENT OF		73000000
PGM: INFO SERVS PROGRAM		73710000
<u>INFORMATION TECHNOLOGY</u>		73710100
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
FUND SHIFT		3400000
TRANSFER GENERAL REVENUE TO THE		
FEDERAL GRANTS TRUST FUND - ADD		3400180
SALARIES AND BENEFITS		010000
FEDERAL GRANTS TRUST FUND -RECPNT	500,000	2261 9

=====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE:

IT COMPONENT? NO

Issue Narrative

Priority #05

This strategy proposes a \$500,000 fund shift from General Revenue to the Federal Grants Trust Fund in the Salaries and Benefits category in the Information Services Program (ISP) in order to meet the Department's General Revenue reduction target.

The Department of Revenue receives federal reimbursement for indirect costs associated with its Title IV-D Child Support Enforcement Program (CSE) based on an indirect cost rate approved annually by the Federal Department of Health and Human Services. Indirect reimbursements are allocated to both the Executive Direction Program and ISP, which provide ongoing support services to CSE.

Currently, ISP's recurring contribution to the indirect cost rate generates reimbursement revenue that it cannot utilize due to a lack of Federal Grants Trust Fund Budget authority. This fund shift will result in a \$500,000 reduction in DOR's General Revenue appropriation, while allowing ISP to more fully utilize the federal revenue provided for agency support service costs.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
REVENUE, DEPARTMENT OF		73000000
PGM: INFO SERVS PROGRAM		73710000
<u>INFORMATION TECHNOLOGY</u>		73710100
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
FUND SHIFT		3400000
TRANSFER GENERAL REVENUE TO THE		
FEDERAL GRANTS TRUST FUND - ADD		3400180

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2261 FEDERAL GRANTS TRUST FUND							500,000
							500,000
							=====

TRANSFER GENERAL REVENUE TO THE							
FEDERAL GRANTS TRUST FUND - DEDUCT							3400190
SALARIES AND BENEFITS							010000
GENERAL REVENUE FUND -STATE	500,000-						1000 1
	=====						

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 14-15 NARRATIVE: IT COMPONENT? NO

Issue Narrative
 Priority #05

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COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
REVENUE, DEPARTMENT OF		73000000
PGM: INFO SERVS PROGRAM		73710000
<u>INFORMATION TECHNOLOGY</u>		73710100
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
FUND SHIFT		3400000
TRANSFER GENERAL REVENUE TO THE		
FEDERAL GRANTS TRUST FUND - DEDUCT		3400190

DOR's General Revenue appropriation, while allowing ISP to more fully utilize the federal revenue provided for agency support service costs.

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A93 - SCH VIIIIB-2 REDUCTIONS

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

OTHER SALARY AMOUNT

1000 GENERAL REVENUE FUND

500,000-

500,000-

=====

TOTAL: INFORMATION TECHNOLOGY

1603.00.00.00

BY FUND TYPE

GENERAL REVENUE FUND

500,000-

1000

TRUST FUNDS

500,000

2000

TOTAL PROG COMP.....

=====

TOTAL: REVENUE, DEPARTMENT OF

73000000

BY FUND TYPE

GENERAL REVENUE FUND

8,609,194-

1000

TRUST FUNDS

3,652,922-

2000

TOTAL POSITIONS..... 38.00-

TOTAL DEPARTMENT..... 12,262,116-

TOTAL SALARY RATE..... 1,249,398-

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