

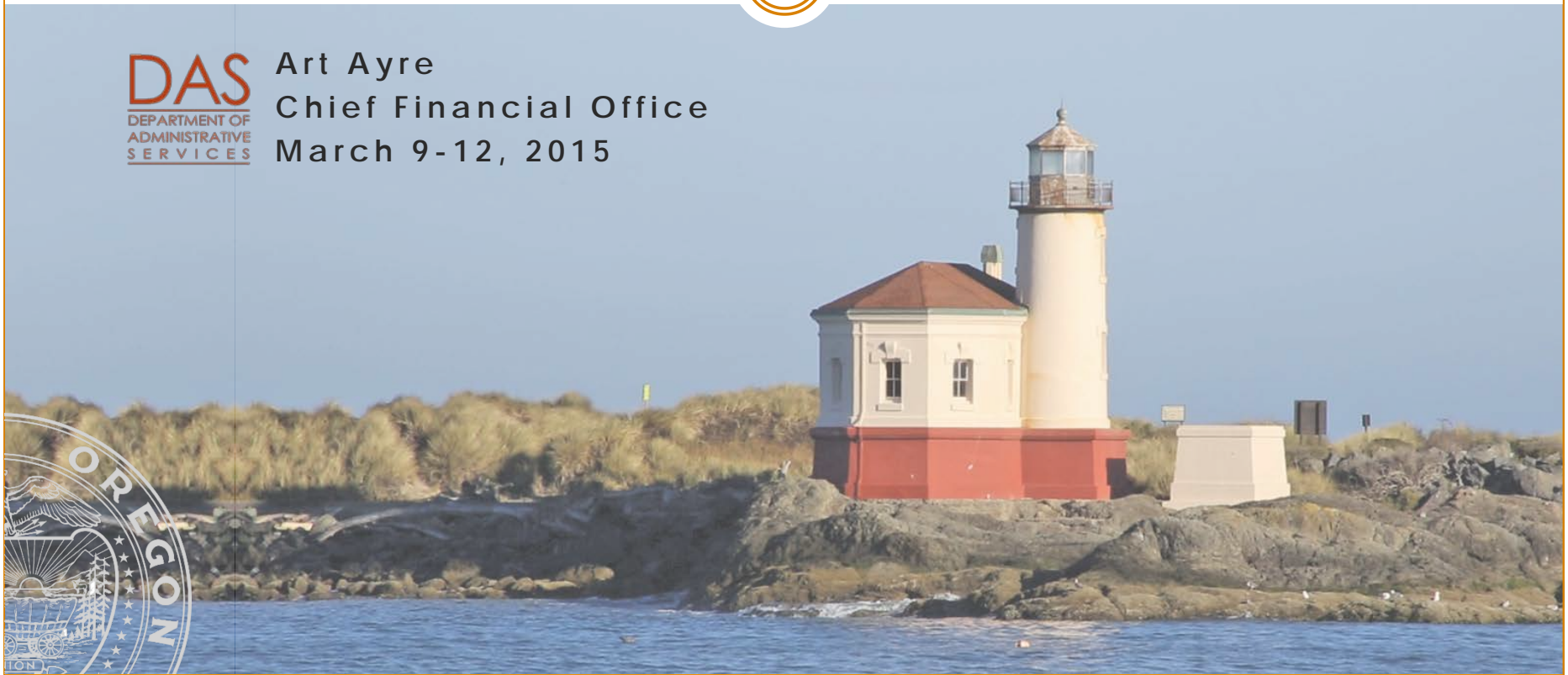
2015 – 2017

GOVERNOR'S BUDGET

Department of Revenue



Art Ayre
Chief Financial Office
March 9-12, 2015



Department of Revenue

Agency Overview

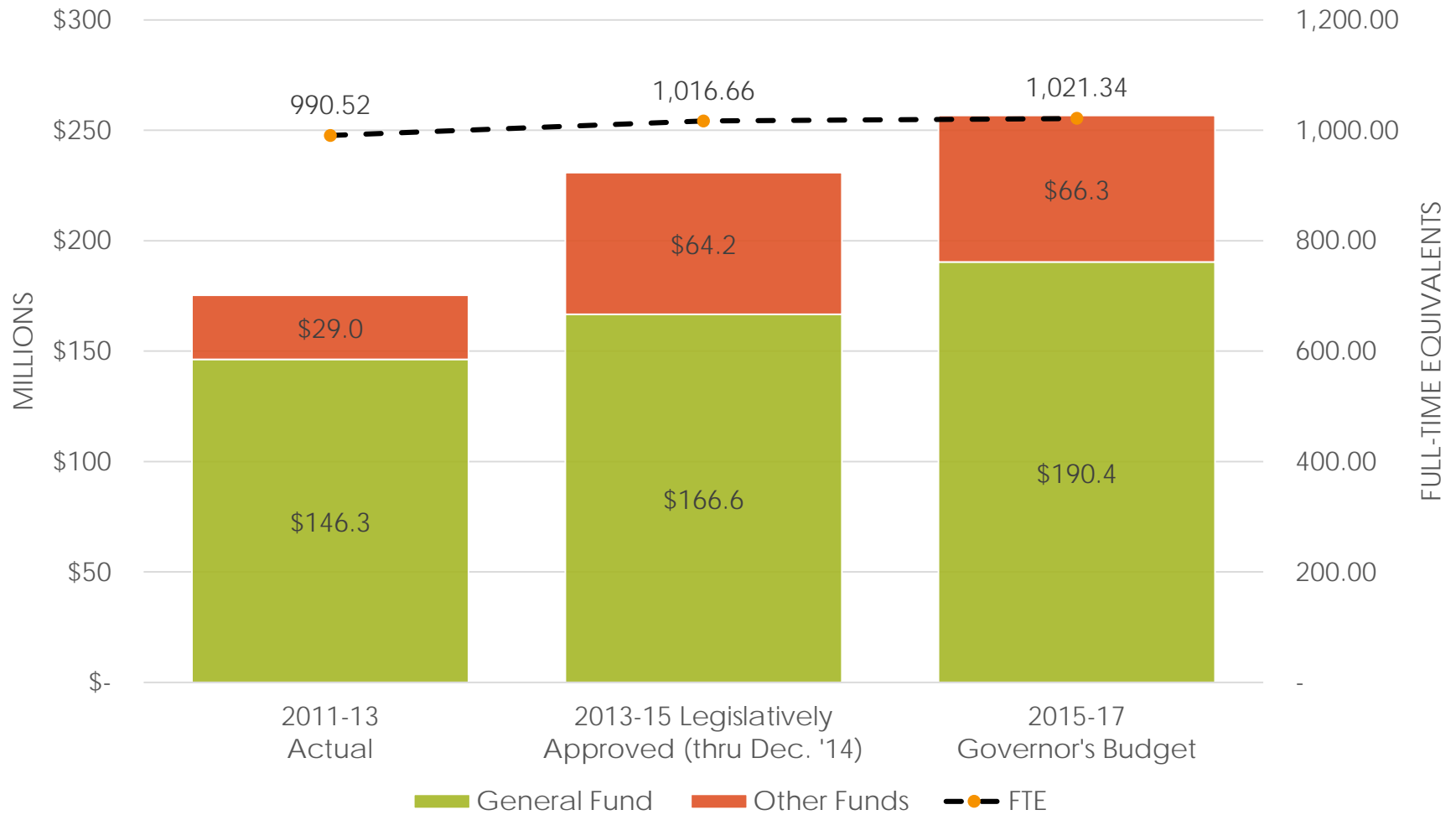
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- Agency's major issue
 - Core Systems Replacement, rollouts 2 and 3
- 10-Year Plan vision
 - **Improving Government.** "Government is responsive, accountable and trustworthy in meeting the needs of Oregonians."
 - Implementation of Core Systems Replacement will improve agency efficiency, customer service, and compliance

Department of Revenue

Expenditure History + 2015-17 Governor's Budget

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- Support for all current agency programs
- Additional staff for workload increases
 - Senior Disabled Citizens Property Tax Deferral program
 - 9-1-1 tax on prepaid services subscribers
- Additional General Fund for industrial appraisal activity
- Three technology improvements
 - Continue the Core Systems Replacement project
 - New analytics and detection tools to reduce personal income tax fraud
 - A computer assisted mass appraisal system

Investments

- Property Valuation System: \$0.4 million General Fund and \$2.3 million Other Funds Limitation
- County Assessment Function Funding Assistance (CAFFA) funding shortfall: \$1.8 million General Fund, -\$1.8 million Other Funds Limitation
- Senior/Disabled Citizens Property Tax Deferral: \$0.5 million Other Funds Limitation
- Fraud Analytics and Detection: \$1.1 million General Fund
- 9-1-1 Tax admin.: \$0.3 million Other Funds Limitation
- Core System Replacement project: \$7.8 million General Fund and \$26.6 million Other Funds Limitation
- Unspecified cut of \$2.6 million General Fund

Department of Revenue

2015-17 Governor's Budget/ Co-Chairs' Framework

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- Co-Chairs' Framework

- Includes:

- ✦ Provides necessary funding for income and property tax administration
- ✦ Funds shortfall in the Department of Revenue's County Assessment Function Funding Assistance Account, which is used for determining statewide property tax assessments
- ✦ Unspecified cut of \$1.9 million General Fund (vs. \$2.6 million)

- Does not include:

- ✦ Rollout 2 and 3 funding for the Department of Revenue's Core Systems Replacement project
- ✦ Enhanced fraud detection for the Department of Revenue's tax programs