



DEPARTMENT OF REVENUE

ANNUAL PLAN UPDATE

FY2024

*To be the nation's most citizen-oriented,
efficiently administered state tax agency*

The Department of Revenue administers approximately 40 Montana taxes and fees to achieve equity and integrity in taxation. Additionally, the department:

- Values all property as accurately as possible and supervises Montana's property tax system
- Administers alcohol and cannabis laws to protect public health and safety
- Receives abandoned property and seeks to return it to its rightful Montana owners
- Administers unlocatable mineral trusts
- Informs and advises the Governor, the Legislature, and the public on tax trends and issues; and
- Cooperates with local, state, tribal, and federal governments to advance the public interest under the law.

DIRECTOR'S OFFICE

The Director's Office (DO) supports the agency's director and the other department divisions and is comprised of the Executive, Financial Services, Citizen Outreach, Taxpayer Advocate, Human Resources, Legal Services, Dispute Resolution, Procurement, Contracts, and Facilities, and Tax Policy & Research offices.

ALCOHOLIC BEVERAGE CONTROL DIVISION

The Alcoholic Beverage Control Division provides effective and efficient administration of the Montana alcoholic beverage laws, with an emphasis on customer service and public safety.

BUSINESS & INCOME TAXES DIVISION

The Business and Income Taxes Division is responsible for the administration of and collection of roughly 40 Montana taxes and fees. The division also determines the valuation of all centrally assessed property in the state.

INFORMATION MANAGEMENT & COLLECTIONS DIVISION

The Information Management and Collections Division provides consistent service to Montana citizens, businesses, and nonresident taxpayers through electronic data and records management, account registration, collection of delinquent accounts, and data and remittance processing operations.

PROPERTY ASSESSMENT DIVISION

The Property Assessment Division administers Montana's property tax laws, which includes the valuation and classification of all taxable property. The division ensures all classes of property are valued uniformly and equally throughout the state. These classifications include but are not limited to agricultural and forest land, residential and commercial property, industrial facilities, exempt properties, and business equipment personal property.

TECHNOLOGY SERVICES DIVISION

The Technology Services Division serves as the technological foundation for the department's business units, leveraging IT systems and services to increase internal business operations efficiencies and optimize citizen services.

CANNABIS CONTROL DIVISION


The Cannabis Control Division ensures the health and safety of all Montanans through fair administration, education, and enforcement of the Montana Marijuana Regulation and Taxation Act.


GOAL:


The department's primary objective in the coming year is improving its citizen service in order to administer the department's statutory requirements more effectively.

Strategic Outcome #1

Improve citizen interactions


Initiatives		Key Measures	Status		
<ul style="list-style-type: none"> Mail assessment notices to all property owners every two years per statute 		<ul style="list-style-type: none"> 100% of notices mailed by statutorily required deadline 	<input checked="" type="checkbox"/>	Completed for 2023	
<ul style="list-style-type: none"> Improve written communications with citizens 		<ul style="list-style-type: none"> Review all department letters on every two-year basis 	<input type="checkbox"/>	In Progress	
<ul style="list-style-type: none"> Respond to cannabis licensee inquiries in a timely manner 		<ul style="list-style-type: none"> Respond to all licensee contacts within two business days 	<input type="checkbox"/>	On Track	
<ul style="list-style-type: none"> Personal communication with five stakeholder entities and division subgroups 		<ul style="list-style-type: none"> Complete 5 stakeholder meetings by December 31 	<input checked="" type="checkbox"/>	Completed	
<ul style="list-style-type: none"> Personal meetings with five local taxing entities 		<ul style="list-style-type: none"> Complete 5 meeting with local taxing entities by December 31 	<input checked="" type="checkbox"/>	Completed	
<ul style="list-style-type: none"> Compile input from stakeholders to improve central assessment and unclaimed property 		<ul style="list-style-type: none"> Compile input from stakeholders by November 15 	<input checked="" type="checkbox"/>	Centrally assessed stakeholder survey completed. Drafting unclaimed property program improvement recommendations. Will seek stakeholder input soon.	
<ul style="list-style-type: none"> Create and implement tax rebate packages and communications 		<ul style="list-style-type: none"> Host 60 Town Halls meetings on property reassessment 	<input checked="" type="checkbox"/>	Completed	
<ul style="list-style-type: none"> Develop citizen outreach surveys to inform and evaluate agency service and efficiency 		<ul style="list-style-type: none"> Create survey by June 30 	<input checked="" type="checkbox"/>	Completed	
<ul style="list-style-type: none"> Implement legislator education series 		<ul style="list-style-type: none"> Hold first education series meeting by December 31 	<input checked="" type="checkbox"/>	Completed	
<ul style="list-style-type: none"> Update the division's webpage with necessary resources including Enterprise Fund reports, fact sheets, and maps 	<ul style="list-style-type: none"> Monthly 	<input type="checkbox"/>	On Track		

Initiatives		Key Measures	Status	
<ul style="list-style-type: none"> Update the division's webpage with necessary resources including the Taxpayer Valuation manual, Agricultural and Forest Land manuals, and the Reappraisal Plan 		<ul style="list-style-type: none"> Completed by December 31 on even years 	<input type="checkbox"/>	Ongoing
<ul style="list-style-type: none"> Update the division's webpage with current information related to taxes 		<ul style="list-style-type: none"> Completed by December 31 annually 	<input type="checkbox"/>	Website updates made as needed
<ul style="list-style-type: none"> Provide taxpayer outreach by presenting at ABC clinics, webinars, and tax forums 		<ul style="list-style-type: none"> Complete 10 outreach activities per year 	<input checked="" type="checkbox"/>	Completed for 2023
<ul style="list-style-type: none"> Create an education video regarding filing requirements 		<ul style="list-style-type: none"> Hold first education series meeting by December 31 	<input checked="" type="checkbox"/>	Completed and posted numerous webinars
<ul style="list-style-type: none"> Meet with production companies at the beginning of their setup process to improve accuracy of MEDIA credit applications 		<ul style="list-style-type: none"> Meet with 100% of production companies 	<input checked="" type="checkbox"/>	Invitations sent to all production companies
<ul style="list-style-type: none"> Update the division's webpage with necessary resources, including tutorials for worker training and packaging and labeling submissions 		<ul style="list-style-type: none"> Completed by December 31 annually 	<input checked="" type="checkbox"/>	Completed; reviewed monthly for additional updates
<ul style="list-style-type: none"> Update the Livestock Per Capita Fee webpage 		<ul style="list-style-type: none"> Annually 	<input checked="" type="checkbox"/>	Completed January 2024
<ul style="list-style-type: none"> Create a collections services webpage 		<ul style="list-style-type: none"> Complete by June 30, 2024 	<input checked="" type="checkbox"/>	Completed April 2024
<ul style="list-style-type: none"> Update the TransAction Portal webpage with general taxpayer self-help resources 		<ul style="list-style-type: none"> Completed by June 30, 2024 	<input type="checkbox"/>	Developed written self-help guides for TAP processes; published our withholding filing options and methods and when to use each service Continually On Track
<ul style="list-style-type: none"> Host statewide town hall meetings and publish PSAs after property assessment notices are mailed out 		<ul style="list-style-type: none"> Completed during May-June 2023 	<input checked="" type="checkbox"/>	Completed
<ul style="list-style-type: none"> Track the number of cases the Taxpayer Assistance Office has resolved 		<ul style="list-style-type: none"> Total resolved cases per year 	<input checked="" type="checkbox"/>	148 for calendar year 2023

Initiatives		Key Measures	Status		
<ul style="list-style-type: none"> Develop an online filing application for property exemption requests 		<ul style="list-style-type: none"> Completed by January 1, 2024 	<input type="checkbox"/>	On Track	
<ul style="list-style-type: none"> Open 2 additional county offices within the next two years 		<ul style="list-style-type: none"> Opened by December 31, 2024 	<input type="checkbox"/>	On Track	
<ul style="list-style-type: none"> Implement legislation permitting DOR/DOJ driver's license cross match 		<ul style="list-style-type: none"> Completed by February 29, 2024 	<input type="checkbox"/>	MOU signed	
<ul style="list-style-type: none"> Begin implementation of red tape reduction rules 		<ul style="list-style-type: none"> June 30 	<input type="checkbox"/>	On Track	


Strategic Outcome #2

Accurate valuation of property


Initiatives		Key Measures	Status	
<ul style="list-style-type: none"> Appraisals of all residential, commercial, industrial, and agricultural/forest land properties in Montana are completed by the statutory deadline 		<ul style="list-style-type: none"> Completed by May 1, 2023 	<input checked="" type="checkbox"/>	Completed for 2023
<ul style="list-style-type: none"> Central Assessed property appraisals completed by department deadline 		<ul style="list-style-type: none"> Completed by June 1 annually 	<input type="checkbox"/>	On Track to meet deadline
<ul style="list-style-type: none"> Provide accurate and timely certified taxable values to all taxing jurisdictions 		<ul style="list-style-type: none"> Provided to counties no later than the first Monday of August 	<input checked="" type="checkbox"/>	Completed for 2023

Strategic Outcome #3


Alcoholic beverage control regulation/efficiency

Initiatives		Key Measures	Status	
<ul style="list-style-type: none"> Process alcoholic beverage licenses efficiently to reduce red tape for applicants and licensees 		<ul style="list-style-type: none"> Meet quarterly with DOJ and licensees through our Alcohol Licensing Advisory Committee to determine where efficiencies can be made. 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> Liquor warehouse expansion to improve the efficient operation of the warehouse 		<ul style="list-style-type: none"> Warehouse expansion project is completed by summer 2025 	<input type="checkbox"/>	On Track

Strategic Outcome #4 Efficient processing of data and revenue

Initiatives		Key Measures	Status	
• Timely processing of paper returns		• Open paper returns within 5 days of receipt	<input checked="" type="checkbox"/>	Completed
• Timely processing of tax refunds (scanning and keying)		• All timely filed paper return refunds are processed within 45 days of due date	<input type="checkbox"/>	On Track for Tax Year 2023 Completed Tax Year 2022
• Timely processing of money		• All money is processed within 2 days of receipt	<input checked="" type="checkbox"/>	Completed
• Implement payroll software vendor approval table		• Prior to December 31	<input checked="" type="checkbox"/>	Completed

Strategic Outcome #5 Develop electronic filing and payment services

Initiatives		Key Measures	Status	
• Increase the use of the Withholding Taxes Application Program		• Track the number of enhanced or added services in the biennium and the number of users participating	<input type="checkbox"/>	On Track
• Enhance user experience on the TransAction Portal		• Measure number of enhancements/user experience surveys	<input type="checkbox"/>	On Track

Strategic Outcome #6


Equitable collection practices

Initiatives	Key Measures	Status	
<ul style="list-style-type: none"> Increase the number of collection cases resolved in under 6 months 	<ul style="list-style-type: none"> 5% in Fiscal Year 2023 	<input type="checkbox"/>	From FY22 to FY23, there has been a 36% average increase in cases resolved in under 6 months
<ul style="list-style-type: none"> Increase efficiencies in resolving delinquent collection accounts 	<ul style="list-style-type: none"> Create electronic methods for financial institutions and employers to remit levy responses and payments 	<input type="checkbox"/>	ADP (Automatic Data Processing) of electronic wage garnishments implemented October 2023. The option to electronically respond to wage and fund garnishments implemented early 2023
<ul style="list-style-type: none"> Develop new payment plan options to allow for a single payment agreement for multiple tax types 	<ul style="list-style-type: none"> Decrease in number of payment plans required for a single citizen with multiple delinquent accounts, to increase payment plan activation percentages Increase percentage of resolved delinquent accounts 	<input type="checkbox"/>	Our business process change went into effect in 2023. The change increased average activation rate by 3%: FY22 - 6,465 payment plans activated; FY23 - 6,801 payment plans activated




Strategic Outcome #7

Secure confidential information

Initiatives		Key Measures	Status	
• Annual disclosure awareness and security awareness trainings		• 100% employee completion	<input type="checkbox"/>	On Track
• Annual signing of confidentiality and disclosure of information form		• 100% employee completion	<input type="checkbox"/>	On Track
• Dual approval on all security access and audit access regularly		• 100% reporting	<input type="checkbox"/>	On Track
• Monitor all systems and perform vulnerability scans		• Weekly	<input type="checkbox"/>	On Track


Strategic Outcome #8


Provide a simple and seamless process for business registration and licensing through the eStop Program

Initiative		Key Measure	Status	
• Seek to replace current antiquated software		• Working with Department of Labor & Industry to determine viability of moving registration and licensing program to their licensing system.	<input type="checkbox"/>	On Track

Strategic Outcome #9

Hire and retain qualified and competent employees

Initiatives		Key Measures	Status	
<ul style="list-style-type: none"> Continue regular internal townhall meetings to engage and educate agency personnel across the state 		<ul style="list-style-type: none"> Quarterly 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> All-managers meeting yearly 		<ul style="list-style-type: none"> October 2023 	<input checked="" type="checkbox"/>	Completed
<ul style="list-style-type: none"> Revamp job postings 		<ul style="list-style-type: none"> March 2023 	<input checked="" type="checkbox"/>	Completed
<ul style="list-style-type: none"> Attend job fairs 		<ul style="list-style-type: none"> 3 per year 	<input type="checkbox"/>	On Trac
<ul style="list-style-type: none"> Create "day in the life of videos"- interviews with staff 		<ul style="list-style-type: none"> 4 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> Offer telework opportunities 		<ul style="list-style-type: none"> Update all job postings by March 2023 to include telework availability language 	<input checked="" type="checkbox"/>	Completed
<ul style="list-style-type: none"> Implement career ladders 		<ul style="list-style-type: none"> Create career ladders for all appropriate positions by July 1, 2024 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> Executive leadership: personal welcome of all new staff on first day of work 		<ul style="list-style-type: none"> 100% 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> Implement Professional Development Working Group (PDWG) recommendations 		<ul style="list-style-type: none"> Complete implementation of PDWG recommendations by December 31 	<input checked="" type="checkbox"/>	Completed
<ul style="list-style-type: none"> Increase senior management presence in field offices 		<ul style="list-style-type: none"> Complete five field office visits by December 31 	<input checked="" type="checkbox"/>	Completed
<ul style="list-style-type: none"> Implement recommendations of climate assessment 		<ul style="list-style-type: none"> Complete implementation of climate assessment improvement plan by December 31 	<input type="checkbox"/>	On Track Plan completed August 2023, with ongoing efforts

Initiatives		Key Measures	Status	
<ul style="list-style-type: none"> Communicate agency mission and goals to department personnel. 		<ul style="list-style-type: none"> Emphasize agency mission and goals during quarterly town hall meetings 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> Hold monthly director meetings with individual division administrators 		<ul style="list-style-type: none"> Formal monthly check-ins with division administrators 	<input type="checkbox"/>	On Track
<ul style="list-style-type: none"> Complete semiannual check-ins and annual performance appraisals 		<ul style="list-style-type: none"> 99% completion rate on check-ins and annual performance reviews 	<input checked="" type="checkbox"/>	68% check-ins and 94% annual review