

Data Management Division

Assistant Director Karen Mortimer

Raised on an Iowa farm....

First, job 'bean walking'!

Educated at Drake
University.

Early years: owned several
farms, raised horses, and
owned a combine business.

A life off the farm:

IRS: auditor, Public Affairs
Officer, Service manager and
Systems Administrator.

DOR: Taxpayer Assistance
Manager, Taxpayer
Education Coordinator,
Income Tax Processing
Administrator, Data
Management Assistant
Director.

Administrators

Karen Coles

Support Services

Mark Goodsell

Individual Income
Tax Processing

Harumi Halsall

Business Tax Processing

Robert Arena

Executive Re-engineering

Electronic Tax Filing

Project Manager

Edmund Vaughan



The mission of the Data Management division is, through innovative channel management, to maximize the use of resources in order to provide quality and timely internal and external customer service.

Our division encourages employee creativity and provides employees with the same concern, respect and caring that they are expected to provide the citizens of Arizona.

Data Management Division

Support Services Support Services is divided into four units: Document Staging is responsible for the receipt, sort and delivery of all tax documents, payments and correspondence received by the agency. Remittance Processing is responsible for keying and depositing all tax revenues. Outgoing Mail is responsible for mailing all tax documents, billings, correspondence, tax change notices, audits and collection notices to taxpayers. Data Entry is responsible for entry of all tax returns and documents into the agency's various computer systems.

Individual Income Tax Processing Individual Income Tax Processing is divided into three units: Refund/Research, Document Processing and Error Resolution. These units are responsible for issuing income tax refunds, preparing documents and revenue for entry and resolving discrepancies between the taxpayer's calculations and the department's computerized calculations.

Business Tax Processing Business Tax Processing is divided into three units: Transaction Privilege Tax (sales tax), Withholding Tax and Corporate Income Tax. Each of these units is responsible for the preparation of documents and revenue, issuing credits/refunds as appropriate and resolving discrepancies between the taxpayer's calculations and the department's computerized calculations.

- Highlights**
- ◆ The 1999 tax-filing season was another success for the department, with over 2.6 million returns filed, of which 2 million were individual income tax returns. The number of income tax refunds issued exceeded 1.3 million. Department personnel manually worked over 720,000 tax documents that were referred to them by the computerized calculation system.
 - ◆ In FY00, over 236,000 Arizona taxpayers took advantage of electronically filing their state tax returns through the use of the tax practitioner community and "on-line" software that allows filing from their home PC's. With over 650 tax practitioners enrolled in the Arizona e-file program, up from 450 for FY99, a 64% increase in the number of electronic returns was filed by the citizens of Arizona. The department continues to explore new technologies in electronic filing to make the process easier and more convenient for the taxpayer.
 - ◆ The total number of Corporate Income Tax documents processed was 181,648, of which 121,233 were returns. The corporate income tax refunds issued exceeded \$109 million.
 - ◆ The total number of Transaction Privilege, Use and Severance Tax documents processed exceeded 1.39 million, of which 1.29 million were returns. The Electronic Funds Transfer (EFT) system for Transaction Privilege Tax (TPT) begun in early 1998 has exceeded our expectations. The \$2.2 billion received is 50% of all TPT revenues collected. This exceeds the amounts projected at the implementation of the project.
 - ◆ The total number of Withholding Tax documents processed exceeded 1.5 million, of which 360,000 were returns. This year, 7,202 employers filed Withholding returns annually which is an increase of over 400% from the previous year, and we expect this number to grow as the tax practitioners and small businesses take advantage of this annual program.
 - ◆ Support Services' Document Staging unit processed nearly 8 million pieces of mail including Personnel Income, Withholding and TPT and the special handling mail for the entire agency. During the peak season the unit ran two shifts in the sub basement. The permanent employees were out numbered 10 to 1 during this time, and no one missed an assignment. This is a tribute to the unit and its supervision for hard work and caring attitude toward each other, the new and temporary employees, and the taxpayers.
 - ◆ Support Services' Remittance Unit deposited more than \$4 billion and processed over 3 million documents this year. The unit continues to meet TPT monthly deadlines. Due to the teamwork of all sections in the division and additional resources such as working overtime and utilizing temporary employees, the FY00 year-end closed smoothly.

Highlights Continued

- ◆ The Data Entry Unit is in the midst of installing a new data entry computer system. This new system, will in time, improve the production of the unit and bring the process into the 21st century, allowing the agency to add new and more effective ways to capture the information required to serve the needs of the taxpayers. This year the unit consistently met the TPT deadline and was responsible for the releasing, tracking and quality assurance of the Income batches sent to outside keying vendors. The unit processed more than 3 million documents this year.
- ◆ Support Service's Out Going Mail Unit processed over 5 million pieces of mail, not including the county property tax forms, which were inserted but not postage metered. Over \$1.7 million was spent on postage alone. During the past year, postage costs were reduced by over 120 thousand dollars (\$120,000.00) by presorting large mailings. The unit mailed in excess of 1.3 million tax refund checks last year, helping to establish the fastest refund turnaround time in the nation. As a result of on-going quality assurance efforts, the unit was able to catch mailing errors before reaching the post office. By challenging the process and recommending insert item changes, the unit has helped save thousands of dollars. The Outgoing Mail Team also maintains and operates the Copy Center for the agency. Over one million copies were made. If each copy were placed end to end they would extend over 187 miles.