



# 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
<ul style="list-style-type: none"> <li>• Mail assessment notices to all property owners every two years per statute</li> </ul>		<ul style="list-style-type: none"> <li>• 100% of notices mailed by statutorily required deadline</li> </ul>
<ul style="list-style-type: none"> <li>• Improve written communications with citizens</li> </ul>		<ul style="list-style-type: none"> <li>• Review all department letters on every two-year basis</li> </ul>
<ul style="list-style-type: none"> <li>• Respond to cannabis licensee inquiries in a timely manner</li> </ul>		<ul style="list-style-type: none"> <li>• Respond to all licensee contacts within two business days</li> </ul>
<ul style="list-style-type: none"> <li>• Personal communication with five stakeholder entities and division subgroups</li> </ul>		<ul style="list-style-type: none"> <li>• Complete 5 stakeholder meetings by December 31</li> </ul>
<ul style="list-style-type: none"> <li>• Personal meetings with five local taxing entities</li> </ul>		<ul style="list-style-type: none"> <li>• Complete 5 meeting with local taxing entities by December 31</li> </ul>
<ul style="list-style-type: none"> <li>• Compile input from stakeholders to improve central assessment and unclaimed property</li> </ul>		<ul style="list-style-type: none"> <li>• Compile input from stakeholders by November 15</li> </ul>
<ul style="list-style-type: none"> <li>• Create and implement tax rebate packages and communications</li> </ul>		<ul style="list-style-type: none"> <li>• Host 60 Town Halls meetings on property reassessment</li> </ul>
<ul style="list-style-type: none"> <li>• Develop citizen outreach surveys to inform and evaluate agency service and efficiency</li> </ul>		<ul style="list-style-type: none"> <li>• Create survey by June 30</li> </ul>
<ul style="list-style-type: none"> <li>• Implement legislator education series</li> </ul>		<ul style="list-style-type: none"> <li>• Hold first education series meeting by December 31</li> </ul>
<ul style="list-style-type: none"> <li>• Update the division's webpage with necessary resources including Enterprise Fund reports, fact sheets, and maps</li> </ul>		<ul style="list-style-type: none"> <li>• Monthly</li> </ul>
<ul style="list-style-type: none"> <li>• Update the division's webpage with necessary resources including the Taxpayer Valuation manual, Agricultural and Forest Land manuals, and the Reappraisal Plan</li> </ul>		<ul style="list-style-type: none"> <li>• Completed by December 31 on even years</li> </ul>
<ul style="list-style-type: none"> <li>• Update the division's webpage with current information related to taxes</li> </ul>		<ul style="list-style-type: none"> <li>• Completed by December 31 annually</li> </ul>
<ul style="list-style-type: none"> <li>• Provide taxpayer outreach by presenting at ABC clinics, webinars, and tax forums</li> </ul>		<ul style="list-style-type: none"> <li>• Complete 10 outreach activities per year</li> </ul>
<ul style="list-style-type: none"> <li>• Create an education video regarding filing requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Hold first education series meeting by December 31</li> </ul>	
<ul style="list-style-type: none"> <li>• Meet with production companies at the beginning of their setup process to improve accuracy of MEDIA credit applications</li> </ul>	<ul style="list-style-type: none"> <li>• Meet with 100% of production companies</li> </ul>	

<b>Initiatives</b>		<b>Key Measures</b>
<ul style="list-style-type: none"> <li>Update the division's webpage with necessary resources, including tutorials for worker training and packaging and labeling submissions</li> </ul>		<ul style="list-style-type: none"> <li>Completed by December 31 annually</li> </ul>
<ul style="list-style-type: none"> <li>Update the Livestock Per Capita Fee webpage</li> </ul>		<ul style="list-style-type: none"> <li>Annually</li> </ul>
<ul style="list-style-type: none"> <li>Create a collections services webpage</li> </ul>		<ul style="list-style-type: none"> <li>Complete by June 30, 2024</li> </ul>
<ul style="list-style-type: none"> <li>Update the TransAction Portal webpage with general taxpayer self-help resources</li> </ul>		<ul style="list-style-type: none"> <li>Completed by June 30, 2024</li> </ul>
<ul style="list-style-type: none"> <li>Host statewide town hall meetings and publish PSAs after property assessment notices are mailed out</li> </ul>		<ul style="list-style-type: none"> <li>Completed during May-June 2023</li> </ul>
<ul style="list-style-type: none"> <li>Track the number of cases the Taxpayer Assistance Office has resolved</li> </ul>		<ul style="list-style-type: none"> <li>Total resolved cases per year</li> </ul>
<b>Initiatives</b>		<b>Key Measures</b>
<ul style="list-style-type: none"> <li>Develop an online filing application for property exemption requests</li> </ul>		<ul style="list-style-type: none"> <li>Completed by January 1, 2024</li> </ul>
<ul style="list-style-type: none"> <li>Open 2 additional county offices within the next two years</li> </ul>		<ul style="list-style-type: none"> <li>Opened by December 31, 2024</li> </ul>
<ul style="list-style-type: none"> <li>Implement legislation permitting DOR/DOJ driver's license cross match</li> </ul>	<ul style="list-style-type: none"> <li>Completed by February 29, 2024</li> </ul>	
<ul style="list-style-type: none"> <li>Begin implementation of red tape reduction rules</li> </ul>	<ul style="list-style-type: none"> <li>June 30</li> </ul>	


## Strategic Outcome #2

### Accurate valuation of property

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


## Strategic Outcome #3

### Alcoholic beverage control regulation/efficiency

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


## Strategic Outcome #4

### Efficient processing of data and revenue

Initiatives		Key Measures
<ul style="list-style-type: none"> <li>Timely processing of paper returns</li> </ul>		<ul style="list-style-type: none"> <li>Open paper returns within 5 days of receipt</li> </ul>
<ul style="list-style-type: none"> <li>Timely processing of tax refunds (scanning and keying)</li> </ul>		<ul style="list-style-type: none"> <li>All timely filed paper return refunds are processed within 45 days of due date</li> </ul>
<ul style="list-style-type: none"> <li>Timely processing of money</li> <li>Implement payroll software vendor approval table</li> </ul>		<ul style="list-style-type: none"> <li>All money is processed within 2 days of receipt</li> <li>Prior to December 31</li> </ul>


## Strategic Outcome #5

### Develop electronic filing and payment services

Initiatives		Key Measures
<ul style="list-style-type: none"> <li>Increase the use of the Withholding Taxes Application Program</li> </ul>		<ul style="list-style-type: none"> <li>Track the number of enhanced or added services in the biennium and the number of users participating</li> </ul>
<ul style="list-style-type: none"> <li>Enhance user experience on the TransAction Portal</li> </ul>	<ul style="list-style-type: none"> <li>Measure number of enhancements/user experience surveys</li> </ul>	


## Strategic Outcome #6

### Equitable collection practices

Initiatives		Key Measures
<ul style="list-style-type: none"> <li>• Increase the number of collection cases resolved in under 6 months</li> </ul>		<ul style="list-style-type: none"> <li>• 5% in Fiscal Year 2023</li> </ul>
<ul style="list-style-type: none"> <li>• Increase efficiencies in resolving delinquent collection accounts</li> </ul>		<ul style="list-style-type: none"> <li>• Create electronic methods for financial institutions and employers to remit levy responses and payments</li> </ul>
<ul style="list-style-type: none"> <li>• Develop new payment plan options to allow for a single payment agreement for multiple tax types</li> </ul>		<ul style="list-style-type: none"> <li>• Decrease in number of payment plans required for a single citizen with multiple delinquent accounts, to increase payment plan activation percentages</li> <li>• Increase percentage of resolved delinquent accounts</li> </ul>

## Strategic Outcome #7


### Secure confidential information

Initiatives		Key Measures
<ul style="list-style-type: none"> <li>• Annual disclosure awareness and security awareness trainings</li> </ul>		<ul style="list-style-type: none"> <li>• 100% employee completion</li> </ul>
<ul style="list-style-type: none"> <li>• Annual signing of confidentiality and disclosure of information form</li> </ul>		<ul style="list-style-type: none"> <li>• 100% employee completion</li> </ul>
<ul style="list-style-type: none"> <li>• Dual approval on all security access and audit access regularly</li> <li>• Monitor all systems and perform vulnerability scans</li> </ul>		<ul style="list-style-type: none"> <li>• 100% reporting</li> <li>• Weekly</li> </ul>




## Strategic Outcome #8

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

Initiative		Key Measure
<ul style="list-style-type: none"><li>• Seek to replace current antiquated software</li></ul>		<ul style="list-style-type: none"><li>• Working with Department of Labor &amp; Industry to determine viability of moving registration and licensing program to their licensing system.</li></ul>

## Strategic Outcome #9

# Hire and retain qualified and competent employees

Initiatives		Key Measures
<ul style="list-style-type: none"> <li>Continue regular internal townhall meetings to engage and educate agency personnel across the state</li> </ul>		<ul style="list-style-type: none"> <li>Quarterly</li> </ul>
<ul style="list-style-type: none"> <li>All-managers meeting yearly</li> </ul>		<ul style="list-style-type: none"> <li>October 2023</li> </ul>
<ul style="list-style-type: none"> <li>Revamp job postings</li> </ul>		<ul style="list-style-type: none"> <li>March 2023</li> </ul>
<ul style="list-style-type: none"> <li>Attend job fairs</li> </ul>		<ul style="list-style-type: none"> <li>3 per year</li> </ul>
<ul style="list-style-type: none"> <li>Create "day in the life of videos"- interviews with staff</li> </ul>		<ul style="list-style-type: none"> <li>4</li> </ul>
<ul style="list-style-type: none"> <li>Offer telework opportunities</li> </ul>		<ul style="list-style-type: none"> <li>Update all job postings by March 2023 to include telework availability language</li> </ul>
<ul style="list-style-type: none"> <li>Implement career ladders</li> </ul>		<ul style="list-style-type: none"> <li>Create career ladders for all appropriate positions by July 1, 2024</li> </ul>
<ul style="list-style-type: none"> <li>Executive leadership: personal welcome of all new staff on first day of work</li> </ul>		<ul style="list-style-type: none"> <li>100%</li> </ul>
<ul style="list-style-type: none"> <li>Implement Professional Development Working Group (PDWG) recommendations</li> </ul>		<ul style="list-style-type: none"> <li>Complete implementation of PDWG recommendations by December 31</li> </ul>
<ul style="list-style-type: none"> <li>Increase senior management presence in field offices</li> </ul>		<ul style="list-style-type: none"> <li>Complete five field office visits by December 31</li> </ul>
<ul style="list-style-type: none"> <li>Implement recommendations of climate assessment</li> </ul>		<ul style="list-style-type: none"> <li>Complete implementation of climate assessment improvement plan by December 31</li> </ul>
Initiatives		Key Measures
<ul style="list-style-type: none"> <li>Communicate agency mission and goals to department personnel.</li> </ul>		<ul style="list-style-type: none"> <li>Emphasize agency mission and goals during quarterly town hall meetings</li> </ul>
<ul style="list-style-type: none"> <li>Hold monthly director meetings with individual division administrators</li> </ul>	<ul style="list-style-type: none"> <li>Formal monthly check-ins with division administrators</li> </ul>	
<ul style="list-style-type: none"> <li>Complete semiannual check-ins and annual performance appraisals</li> </ul>	<ul style="list-style-type: none"> <li>99% completion rate on check-ins and annual performance reviews</li> </ul>	