



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 <ul style="list-style-type: none"> • Mail assessment notices to all property owners every two years per statute • Improve written communications with citizens • Respond to cannabis licensee inquiries in a timely manner • Personal communication with five stakeholder entities and division subgroups • Personal meetings with five local taxing entities • Compile input from stakeholders to improve central assessment and unclaimed property • Create and implement tax rebate packages and communications • Develop citizen outreach surveys to inform and evaluate agency service and efficiency • Implement legislator education series • Update the division's webpage with necessary resources including Enterprise Fund reports, fact sheets, and maps • Update the division's webpage with necessary resources including the Taxpayer Valuation manual, Agricultural and Forest Land manuals, and the Reappraisal Plan • Update the division's webpage with current information related to taxes • Provide taxpayer outreach by presenting at ABC clinics, webinars, and tax forums • Create an education video regarding filing requirements • Meet with production companies at the beginning of their setup process to improve accuracy of MEDIA credit applications 	Key Measures <ul style="list-style-type: none"> • 100% of notices mailed by statutorily required deadline • Review all department letters on every two-year basis • Respond to all licensee contacts within two business days • Complete 5 stakeholder meetings by December 31 • Complete 5 meeting with local taxing entities by December 31 • Compile input from stakeholders by November 15 • Host 60 Town Halls meetings on property reassessment • Create survey by June 30 • Hold first education series meeting by December 31 • Monthly • Completed by December 31 on even years • Completed by December 31 annually • Complete 10 outreach activities per year • Hold first education series meeting by December 31 • Meet with 100% of production companies
Initiatives <ul style="list-style-type: none"> • Update the division's webpage with necessary resources, including tutorials for worker training and packaging and labeling submissions • Update the Livestock Per Capita Fee webpage • Create a collections services webpage • Update the TransAction Portal webpage with general taxpayer self-help resources • Host statewide town hall meetings and publish PSAs after property assessment notices are mailed out • Track the number of cases the Taxpayer Assistance Office has resolved 	Key Measures <ul style="list-style-type: none"> • Completed by December 31 annually • Annually • Complete by June 30, 2024 • Completed by June 30, 2024 • Completed during May-June 2023 • Total resolved cases per year
Initiatives <ul style="list-style-type: none"> • Develop an online filing application for property exemption requests • Open 2 additional county offices within the next two years • Implement legislation permitting DOR/DOJ driver's license cross match • Begin implementation of red tape reduction rules 	Key Measures <ul style="list-style-type: none"> • Completed by January 1, 2024 • Opened by December 31, 2024 • Completed by February 29, 2024 • June 30

Strategic Outcome #2 Accurate valuation of property	
Initiatives <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 • Central Assessed property appraisals completed by department deadline • Provide accurate and timely certified taxable values to all taxing jurisdictions 	Key Measures <ul style="list-style-type: none"> • Completed by May 1, 2023 • Completed by June 1 annually • Provided to counties no later than the first Monday of August

Strategic Outcome #3 Alcoholic beverage control regulation/efficiency	
Initiatives <ul style="list-style-type: none"> • Process alcoholic beverage licenses efficiently to reduce red tape for applicants and licensees • Liquor warehouse expansion to improve the efficient operation of the warehouse 	Key Measures <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. • Warehouse expansion project is completed by summer 2025

Strategic Outcome #4 Efficient processing of data and revenue	
Initiatives <ul style="list-style-type: none"> • Timely processing of paper returns • Timely processing of tax refunds (scanning and keying) • Timely processing of money • Implement payroll software vendor approval table 	Key Measures <ul style="list-style-type: none"> • Open paper returns within 5 days of receipt • All timely filed paper return refunds are processed within 45 days of due date • All money is processed within 2 days of receipt • Prior to December 31

Strategic Outcome #5 Develop electronic filing and payment services	
Initiatives <ul style="list-style-type: none"> • Increase the use of the Withholding Taxes Application Program • Enhance user experience on the TransAction Portal 	Key Measures <ul style="list-style-type: none"> • Track the number of enhanced or added services in the biennium and the number of users participating • Measure number of enhancements/user experience surveys

Strategic Outcome #6 Equitable collection practices	
Initiatives <ul style="list-style-type: none"> • Increase the number of collection cases resolved in under 6 months • Increase efficiencies in resolving delinquent collection accounts • Develop new payment plan options to allow for a single payment agreement for multiple tax types 	Key Measures <ul style="list-style-type: none"> • 5% in Fiscal Year 2023 • Create electronic methods for financial institutions and employers to remit levy responses and payments • 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

Strategic Outcome #7 Secure confidential information	
Initiatives <ul style="list-style-type: none"> • Annual disclosure awareness and security awareness trainings • Annual signing of confidentiality and disclosure of information form • Dual approval on all security access and audit access regularly • Monitor all systems and perform vulnerability scans 	Key Measures <ul style="list-style-type: none"> • 100% employee completion • 100% employee completion • 100% reporting • Weekly

Strategic Outcome #8 Provide a simple and seamless process for business registration and licensing through the eStop Program	
Initiative <ul style="list-style-type: none"> • Seek to replace current antiquated software 	Key Measure <ul style="list-style-type: none"> • Working with Department of Labor & Industry to determine viability of moving registration and licensing program to their licensing system.

Strategic Outcome #9 Hire and retain qualified and competent employees	
Initiatives <ul style="list-style-type: none"> • Continue regular internal townhall meetings to engage and educate agency personnel across the state • All-managers meeting yearly • Revamp job postings • Attend job fairs • Create "day in the life of videos"- interviews with staff • Offer telework opportunities • Implement career ladders • Executive leadership: personal welcome of all new staff on first day of work • Implement Professional Development Working Group (PDWG) recommendations • Increase senior management presence in field offices • Implement recommendations of climate assessment 	Key Measures <ul style="list-style-type: none"> • Quarterly • October 2023 • March 2023 • 3 per year • 4 • Update all job postings by March 2023 to include telework availability language • Create career ladders for all appropriate positions by July 1, 2024 • 100% • Complete implementation of PDWG recommendations by December 31 • Complete five field office visits by December 31 • Complete implementation of climate assessment improvement plan by December 31
Initiatives <ul style="list-style-type: none"> • Communicate agency mission and goals to department personnel. • Hold monthly director meetings with individual division administrators • Complete semiannual check-ins and annual performance appraisals 	Key Measures <ul style="list-style-type: none"> • Emphasize agency mission and goals during quarterly town hall meetings • Formal monthly check-ins with division administrators • 99% completion rate on check-ins and annual performance reviews