

# Texas Comptroller of Public Accounts



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Applications Support

## E-File, Texas Style



- A Little History
- Plan in 2002
- Accomplishments
- What Came Along
- Business Results
- Interface Systems
- Future Plans
- Considerations

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## A Little History

- Telefile
- No Tax Due Filings
- Sales Tax Short Forms
- Sales Tax Long Forms
- Franchise Certificate of Account Status

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## Plans in 2002

- ◆ Accepting returns for all periods
- ◆ Stop and start filing
- ◆ On-Line Registration and Account Maintenance
- ◆ Other Tax Filings
- ◆ SB640 – mandatory electronic payment and reporting

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## Accomplishments

- ◆ Accepting returns for all periods ✓
- ◆ Other Tax Filings ✓
  - ★ Franchise Tax Extensions
- ◆ SB640 – mandatory electronic payment and reporting ✓

### *Still in the works*

- ◆ Stop and start filing
- ◆ On-Line Registration and Account Maintenance

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## What Came Along

- Custom Brokers
  - ◆ Web Interface Legislatively Mandated
  - ◆ Used PDF for Certificate Generation
  - ◆ Expanded Security
  - ◆ Reprint of Certificates for up to 60 days
  - ◆ Exceeded Usage Expectations

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## What Came Along *(Cont.)*

- Cigarette Internet Sales
  - ◆ Web Reporting Legislatively Mandated
  - ◆ Stop and Start Filing

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## What Came Along *(Cont.)*

- EDIWEB Rewrite
  - ◆ Web Interface
  - ◆ Retired Bulletin Board System (BBS)
  - ◆ Standard EDI Transmission
  - ◆ Free Software Provided to Taxpayers
  - ◆ Consistent Security across all Web Applications

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## What Came Along *(Cont.)*

- EDIWEB Rewrite (Cont.)
  - ◆ Payments Accepted
  - ◆ Import of Information from Taxpayer Systems into Free Software Provided

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## What Came Along *(Cont.)*

- PIN Reset
- Technology Upgrades
  - ◆ Retirement of Sybase
  - ◆ Upgrades to OS and Change Control Tools
  - ◆ Upgrades to Application Server Software

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## Business Results

- More "Internet Only" Filing Requirements
- All BBS filers successfully converted to EDIWEB
- Streamlined Process of Disbursement of Funds to Local Jurisdictions
- Reduced Support Calls by 80% with implementation of PIN Reset
- Number of Filings Growing Steadily

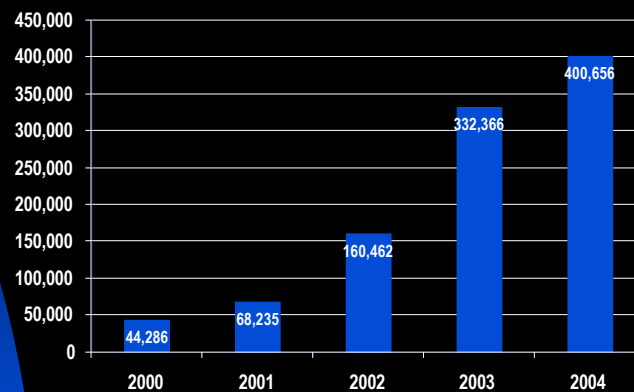
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Number of Sales Tax Web Filings

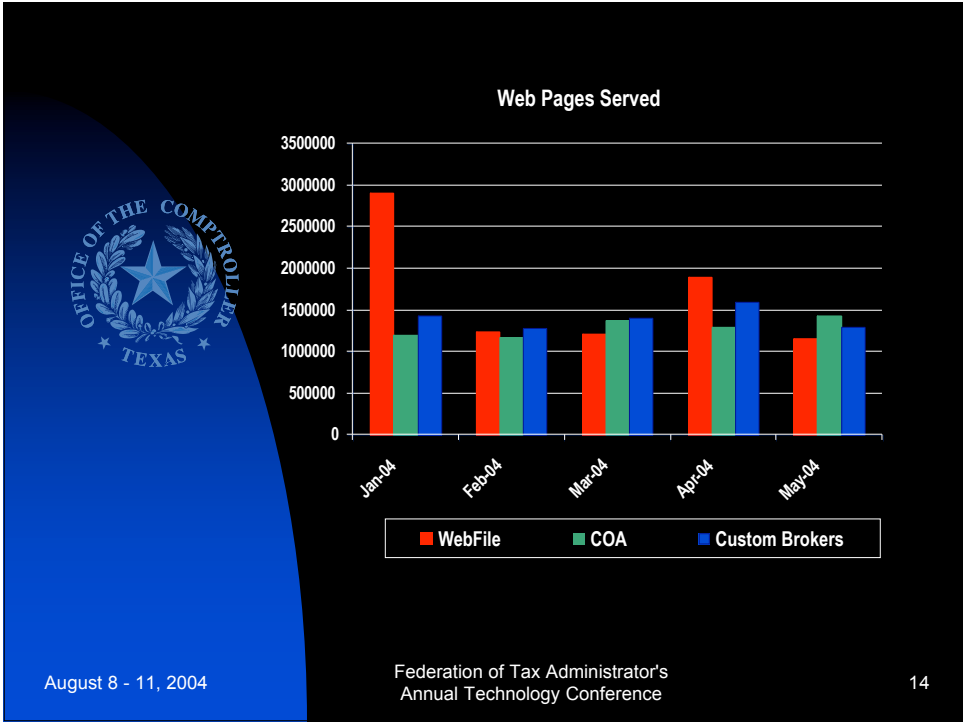
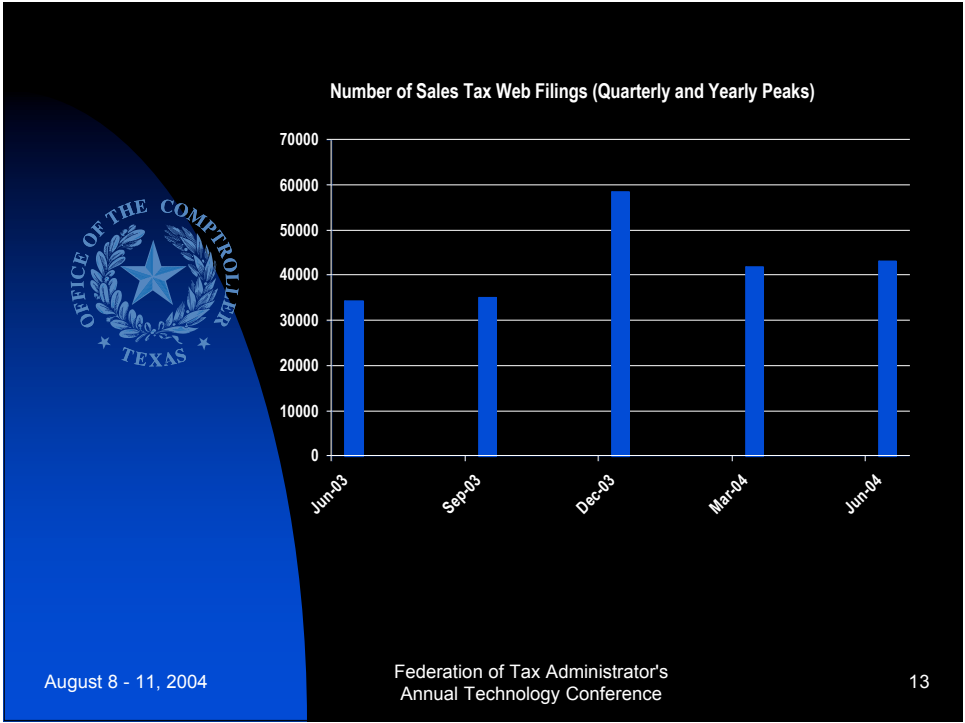


2004 Figures are estimated  
for remainder of Year

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## Technology Solution

- Java framework for development
- Expanded security framework
- Interfaces via gateway to access
  - ◆ Mainframe data
  - ◆ Mainframe legacy programs
- Real time update to mainframe data
- Integration with existing batch processes

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## Interface Systems

- **TEXNET**
  - ◆ Direct Link from WebFile
  - ◆ Self Service
  - ◆ Expanded tax payment types

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## Interface Systems *(Cont.)*

- **TEXNET Technology**
  - ◆ Microsoft Based
  - ◆ SQL Server
  - ◆ Visual Basic with plans to move to .NET

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## Future Plans

- ◆ On-Line Registration and Account Maintenance
- ◆ Other Tax Filings –Continued Expansion
- ◆ Stop and start filing
- ◆ Amended Reports
- ◆ Payment Only Options
- ◆ Email notification of Filing Requirements
- ◆ Import Feature on Web
- ◆ Expand Telefile for Tax Due Returns & Payments

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## Future Plans *(Cont.)*

- ◆ TexNet Online Enrollment
- ◆ TexNet Online History Inquiry for end users
- ◆ Update of information for credit transactions
- ◆ Enhanced integration between applications
- ◆ And More!

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## Considerations

- ◆ Robust and Stable Technology Environment
- ◆ Adequate Checks and Balances
- ◆ Product Error Free
- ◆ Increased Emphasis on Testing
- ◆ Mandatory Filing Requirements
- ◆ Minimize Need for Support
- ◆ Short Implementation Time Frames
- ◆ Continued Developer Training
- ◆ Load Testing

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## Questions?

What percentage of taxpayers used the web application?

There are approximately 365,000 active monthly and quarterly taxpayers and approximately 295,000 active yearly taxpayers. During our yearly filing peak which ended January 20, 2004, 9% of taxpayers used Webfile, 2% of taxpayers used Telefile and .4% used EDI. During our last combined monthly/quarterly peak, which ended July 20, 2004, 12% of the taxpayers used Webfile, .7% used EDI and 1.5% used Telefile.

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## Questions?

What percentage of the taxpayers who are required to file electronically routinely do not use electronic methods?

There are 15,459 mandatory filers for Sales Tax. Of those, approximately 200 do not comply with the requirement to file electronically (WebFile or EDI). There are approximately 350 taxpayers who have some type of temporary waiver.

During the July filing period, 12,340 of the mandatory filers used WebFile.

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## Questions?



### What is the hardware environment for your WebFile application?

We have 4 Windows 2000 servers which are the application servers running WebSphere for our Web applications. The database servers are either DB2 on the mainframe, or (as of August 22nd) Oracle on a UNIX box, which is separate. There are two dispatchers that route requests to the initial Web pages which are served on 2 UNIX machines and the users are routed to two other internal dispatchers which route the request to the appropriate application server in the 4 server complex based on traffic volume and load balancing. The external dispatchers are IBM 330 machines. The internal dispatchers are Compaq Deskpro machines which are currently able to handle the load, but in the future we will evaluate using other hardware for this purpose. The DB2 data is accessed via Neon's gateway product.

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## Questions?



### Do you have any problems accessing the back-end legacy systems during peak or batch processing times?

No, this has not been a concern or issue for us. At times, we have had certain jobs which created contention, but we have been able to modify the scheduling of these jobs to eliminate any issues.

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## Questions?

Are there any security concerns related to direct access of taxpayer information on the mainframe from the Web applications?

No. All applications must complete a Transaction Risk Assessment which is reviewed by the Comptroller's Information Security Officer for adequate controls over sensitive taxpayer information.

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## Additional Questions?

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