



e-BUSINESS STRATEGY

NORTH CAROLINA DEPARTMENT OF REVENUE

FTA Electronic Filing Symposium

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OBJECTIVE

The North Carolina Department of Revenue through the proposed e-Business Strategies embarks to become a national model for revenue agencies, relying on incomparable practices, and with technology as an enabler, will continuously find ways to increase efficiency and productivity in all areas of Departmental operations and tax Administration.



OVERVIEW

“e-Business is not necessarily a revolutionary approach, but to accomplish this transformation we will take revolutionary steps. Transitioning to e-Business will not be easy or painless. We will have to focus our efforts to maximize the use of our business and technical resources.”

Secretary Norris Tolson

e-BUSINESS

STRATEGIES

Enable Authenticated Users to Manage Tax Accounts and make the Process as Easy as Possible

- Authenticate User's Identity.
- Provide Secure Access – User Enters Self-Generated Password and PIN.



Enable Authenticated Users to Manage Tax Accounts

Possible Account Management Functions

- Opt for display of tailored functions and/or one-click settings
- View account activity
- Obtain copies of previously filed returns
- Perform account management functions
- Opt to receive electronic billings
- Link to filing and payment applications
- Set up payment plans
- Receive email confirmations



Provide Secure Electronic Communications and Assistance for Taxpayers

- E-Alerts
- Q&A feature on website provides links to FAQs which are updated based on taxpayer questions
- Two-way e-communication

Expand e-Pay and e-File Services To Include All Schedules and Forms and Promote Ease of Use

Current e-File and e-Pay Applications

- D-400V
- NC-40
- Sales and Use
- Withholding
- IFTA
- Notice Payment
- Corporate (CD-429 and CD-419)
- Corporate (CD-V and CD-V Amended)

Expand e-Pay and e-File Services

Current Fed/State Initiatives

- Individual Income Fed/State Program
- Corporate Income Fed/State Program

Examples of Expanded e-Pay and e-File Services

- E-filing and e-payment available for other schedules
- Business User can register online
- Instructional Screen Shots



Promote the Transition of e-Business to Make Customers Aware of e-Services Designed for Them through Aggressive Marketing and Education

- Segment customer based and develop marketing & educational materials accordingly.
- Provide incentives for use of e-services
- Encourage use of internet by DOR employees
- Establish kiosks in all DOR offices.



Enhance e-Services for Internet Users to Obtain Forms and Use Fill-In Forms Online

- Make all Department's forms available on our website.
- List forms by task
- Design key forms as web fill-ins
- Write and arrange forms and instructions to help taxpayers fill them out correctly.
- Make help links and notes available for particularly complex sections.

SAMPLE FORM E-585

Form E-585, Nonprofit and Governmental Entity Claims for Refund State and County Sales and Use Taxes, has four sections. Complete all four sections. Incomplete claims may result in delayed refunds.

A. Header – Complete ALL Fields

NAME OF ORGANIZATION: SAMPLE NONPROFIT ORGANIZATION
 ADDRESS: 123 EXAMPLE WAY
 CITY: DOWNSIGHT NC 27502 STATE: NC COUNTY: WAKE
 PHONE: 919 555-1234 FAX: 919 555-1234
 MRS. A.U. TREASURER
 FILL IN THE CIRCLES THAT INDICATE YOUR ORGANIZATION: Nonprofit entity as defined in G.S. 165-164.14(b) (Solely for the public good) Governmental entity as defined in G.S. 165-164.14(c) (Annually)

B. Purchase and Sales Tax Amounts

1. Name of taxing County: WAKE
 State: _____ County: _____

2. Total Purchase of Tangible Personal Property for Use in Which Both State and County Sales or Use Tax Has Been Paid Directly or Indirectly: \$1,000.00 State \$1,500.00 County

3. Amount of Sales and Use Tax Paid Directly to Retailers on Purchases for Use: \$45.00 State \$35.00 County

4. Amount of Sales and Use Tax Paid Indirectly on Building Materials and Supplies as Shown on Contractors' Statements: _____

5. Amount of Use Tax Paid Directly to the Department of Revenue by Your Organization: _____

6. Total Tax (Add Lines 3, 4, and 5. County tax must be allocated on line 6.) \$45.00 State \$35.00 County

7. Total Refund Requested (Add State and County tax on Line 6.) \$0.00

*In this example, total State sales tax paid = \$45 (4.5% of personal property purchases) and total County sales tax paid = \$35 (2.5% of personal property purchases of \$1000 plus 2% Food Tax on food purchases of \$500).

Line 6 - Total Tax Paid – Add Lines 3, 4, and 5 for each column. You must also allocate total County sales tax paid on Line 8.

Line 7 - Refund Requested – Add total State sales tax paid and total County sales tax paid on Line 6.

C. County Tax Breakdown

Allocation of County Tax on Line 6 (Enter the county tax paid at each applicable rate. If you paid more than one county's tax, use the instructions on reverse and attach Form E-585.)

Food 2% Tax: 1,000 County 2% Tax: _____

Manufacturing Transfer 2% Tax: 2,500

Line 6 - The County portion of total tax from Line 6 above must be allocated correctly. In this example, total County sales tax of \$35 is allocated between Food 2% tax and County 2.5% tax.

D. Signature

Signature: _____ Date: 07-01-04

Enhance e-services- obtain / fill out forms online (cont.)

The E-585 sample form is an example of the type of service that assists taxpayers in filling out forms correctly.

Strategy Five

Enhance e-Services – Web Fill-in Forms (cont'd.)

- Enhance web fill-in forms
- Allow taxpayers to save partially complete forms for completion later.
- Create a fixed format

Enhance Educational Services through the Web

- Design tutorials
- Offer video and flash-player demos for web applications.
- Offer web-casts/pod-casts.
- Include a general education section

Enhance Educational Services through the Web (cont.)

The screenshot shows the Nevada Department of Taxation website. The main content area is titled 'DEPARTMENT OF TAXATION PUBLIC MEETINGS'. It includes a navigation menu on the left with items like 'Director's Welcome', 'Our Mission', 'Taxpayer Rights', 'Tax Commission', 'File Online', 'Tax Changes', 'Common Forms', 'Publications', 'Public Meetings', 'Branch Locations', 'Assessment Standard', 'Property Tax', 'Compliance', 'Excise Taxes', 'Audit', 'Fee Schedule', 'Taxation News', 'FAQ's', 'Organization Chart', and 'Links'. The main content area contains a 'Meeting of various commissions as well as training schedules are maintained here. Agendas, when available, can be downloaded by clicking on the icons below. Archived information is available on our Archive page.' Below this, there are instructions for downloading files using PDF, WORD, and EXCEL icons. A section titled 'ASK THE ADVISORS "BASIC TRAINING WORKSHOP"' provides a table of training materials:

	TO TOP
The Department offers a basic training workshop for new and existing businesses. Topics covered include: Sales and Use Tax, Modified Business Tax, Modified Business Tax Financial Institutions, Line Entertainment Tax, Business License Requirements, Sales Tax Permits Fees, Collection of Tax, Exemptions, Resale Certificates, Petition/Appeal Rights, Taxpayers' Bill of Rights, How to Complete Tax Returns, How to Amend/Correct Returns and Preparing for Audits.	
Basic Training Workshop Power Point Presentation, or a quicker downloading Acrobat pdf version	
Overview of Department Audits Power Point Presentation, or a quicker downloading Acrobat pdf version	

At the bottom of the page, there is a table with columns: Date, Place, Time and Agenda, and Agenda Download.

PDF and Powerpoint Used to Instruct

Strategy Six

Enhance Educational Services through the Web (cont.)

The screenshot displays the Washington State Department of Revenue website. At the top, there is a navigation menu with links for Home, Online Services, Doing Business, Taxes, Forms, and Contact Us. Below the menu, a banner features a woman at a computer with the text "New to Online: Signing up is fast". The main content area is titled "e-file Electronic Filing - Washington State" and includes a "Business Account Information" section for "The Duke 501 501 501". A sidebar on the right shows a user is logged in as "jones1402". Below the main content, there are four icons representing services: E-file, Secure Messaging, BillPay, and Use Tax. At the bottom, there are four video presentation thumbnails, each with a "Text Version" link. The footer contains the copyright notice: "© 2005 Washington State Department of Revenue and its licensors. All rights reserved."

Video Presentations

Strategy Six

Collaborate with Public and Private Sectors to Provide Products and Services Designed for Small Businesses, Using a Variety of Delivery Methods

Education and Information

- Dedicate a section of our website to small-businesses
- Provide FAQ's and Q&A features
- Provide tutorials
- Use educational materials
- Offer in-person and online workshops
- Provide a large searchable database

Provide Services for Small Businesses (cont'd)

- In partnership with other agencies, offer, “Build Your Business” information
- Using a Q&A format, identify a variety of State requirements
- Offer one-stop State services
- Provide a Small Business Tax Calendar
- Provide an interactive wizard to assist users with new business registration

Pursue Joint Ventures, Engaging Partners Early in the Process to Learn from Them and to Build Solutions That Exceed Customer Expectations

Maintain Current Partnerships and Actively Pursue New Partnerships

NC Government Partnerships

Promote Joint Ventures

Pursue Joint Ventures (cont'd)

Public/Private Partnerships

- Establish public and private partnership boards
- Establish User Boards
- Partner with Tax Practitioner Groups
- Work with other states

Federal Partnerships

Participate in Fed/State Programs

Pursue Joint Ventures (cont'd)


Links

- Work with other NC government agencies
- Provide links to third party websites




Retain Conventional Services

- Offer information, education, and assistance through various delivery methods
- Continue to support paper systems
- Integrate service delivery management



Continuously Improve Our Website Including Design, Navigation, and Search Functions

- Standard for upgrading websites
- Focus group and web suggestions
- Catering to new and existing populations



Enhance the IVR, Adding Tax Account Management
and Online Filing and Payment Functions as
Practical within the Limits of Telephone
Transactions

- Tax account management
- Zero tax-due filing



Organizational Leadership

With Strong Leadership
Support, Reengineer
Business Processes and
Ensure an Appropriate
Organizational Structure



Enhance Knowledge Management Capabilities

Employees can—

- Easily share information
- Sort, match and mine data
- Flexibly handle and track cases
- Perform all business functions
- Receive notices when settlement payments are made
- Use Instant Messaging



Expand Online Support Services for Employees

- Employees can electronically complete all Human Resources and Payroll “paperwork”
- Employees can track, register for, and receive training online
- The Intranet provides more information and makes information more accessible



Use a Collaborative Process to Upgrade and Integrate Systems

DOR Core Business Systems

- Transactional tax administration system (VISTA, ITAS)
- Data Warehouse
- Case Management
- Document Management
- Data Capture
- Doc Query
- Etc.



Upgrade and Integrate Systems (cont'd)

Collaboration

- Business Users
- Information Technology (IT)
- External Agencies
- Vendors/Contractors

Upgrade and Integrate Systems (cont'd)

Goals

- All systems support and enable web and IVS systems
- All schedules accessed through one system
- All data and information accessible through one mechanism
- Scanned taxpayer documents accessible through a database

Q & A