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Comments before the IRS Oversight Board Public Meeting
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North Carolina Department of Revenue Background

- \$26.1 billion gross collections.
 - \$103.2 million average daily deposit.
 - No budget increases in 5 years.
 - Multiple, substantial budget and personnel cuts during the last 3 years.
 - Near 25% of the staff is supported by fees.
 - Forced Collections increased by more than 200% (despite economic downturn).
 - Collections RIO - \$40, Examination RIO - \$50.
 - Currently replacing underlying IT infrastructure.
1. Three Tenets
 - a. Firm But Fair
 - b. Compassionate When Called For
 - c. Easy to Do Business With
 2. “In God We Trust. All Others Must Bring Data.”
 - a. Assumptions aren’t always accurate – challenge them!
 - b. Return on investment is key
 - c. Buy, lease, or outsource - Decisions should be driven by data (not ideology)
 - d. Transparency and Scorecards are helpful and motivational
 3. Focus on What Taxpayers Really Want
 - a. What taxpayers want above all else is fairness and certainty
 - i. While polite is good, the right answer is better
 - ii. Finding the right answer is always the best plan (% deals are hard on morale and other taxpayers)
 - b. Ask taxpayers for help (Business Advisory Committee)
 4. Quality Control is Key
 - a. View appeals as closing the loop of learning
 - b. Avoid the “gotcha” mentality
 - c. Avoid the blame game
 5. Inspire Employees to Do Great Work - And They Will Improve Customer Service on Their Own
 - a. Focus on performance
 - b. Deal with low-performing employees
 - c. Refocus them on the goals of public service and adding public value

Examples:

- Agency Scorecards for ALL units
- Increased focus on outreach, less one-on-one assistance (speed boat not a barge)
- Increased training of assistance personnel
 - Pre-test, Post-test Format
 - “Passing grade” required
- Small Business Taxpayer Recovery Program – Partnership with SBC, SBTDC – includes business counseling, focus on getting businesses back on their feet, and tax dollars in the door.
- Individual Income Tax Debt Payment Program – Partnership with the nation’s 2nd largest credit union (NCSECU) to help folks clean up their credit.
- Transparent Offer In Compromise Program (on web)
- Business Advisory Committee (large taxpayers, non policy making)