

FINANCE AND ADMINISTRATION--REVENUE SERVICES (630)

FISCAL YEAR 2018 & 2019

Per Executive Recommendation

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Revenue Division is responsible for administration and enforcement of State taxing laws, vehicle and driver licenses imposed under Arkansas law and Child Support Enforcement imposed under Arkansas and Federal law. Offices within the Division and their responsibilities are the Office of the Assistant Commissioner for Policy and Legal which includes the Hearings and Appeals Section; the Office of Income Tax administers Individual and Corporate Income Taxes and Income Tax Systems, which processes income tax returns; the Office of Field Audit; Office of Motor Vehicle administers licensing, registration and titling of vehicles; Office of Excise Tax Administration is responsible for Sales Tax, Motor Fuel Tax, Miscellaneous Tax, Tax Credits and tax administration of Bingo and Raffles; Office of Driver Services which includes, Issuance, Technical Services, Safety Responsibility, Driver Control and Commercial Driver Licenses; Office of Assistant Commissioner for Operations and Administration which consists of the Cashier Section and General Services sections; Office of Revenue Legal Counsel which represents the Division in litigation involving taxes, fees, licenses and programs administered by the Division; and the Office of State Revenue Office Administration administers the County automobile registration and renewal offices.

TOTAL APPROPRIATION

The total appropriation for the Revenue Division for FY2018 is \$1,273,328,051 and the total appropriation for FY2019 is \$1,273,398,662.

FUNDING SOURCES

This agency's appropriations are funded with tax refunds, State Central Services Fund, and special revenues.

II) CHANGE LEVEL REQUESTS

Commercial Drivers License Program (Appropriation IJN)

This appropriation provides for program operations through fees collected for licenses. The increase of \$2,000,000 each year provides for anticipated contract costs.

Revenue Services Division - Operations (Appropriation 281)

This appropriation provides for agency operations.

Regular Salaries and Matching - Provides a reduction of \$1,281,269 each year for transfer of 3 positions and the reduction of 35 currently authorized positions.

Capital Outlay - Provides for re-authorization of Capital Outlay of \$500,000 each year.

III) ADDITIONAL POSITIONS (Total FY2017 Authorized Positions: 1,501)

Total Positions FY2019: 1,501

Total Positions FY2018: 1,501

Total Base Level Positions: 1,501

Increase / (Decrease) Over Base Level: 0

Extra Help Positions FY2018 and FY2019: 221 (Total FY2017 Authorized

Extra Help: 221)

IV) SPECIAL LANGUAGE

APPROPRIATION TRANSFERS: Dictates distribution of refunds in Tax Administration Program and allows transfer between Refund line items with report to Legislative Council on amounts and reasons for transfer.

EXTRA HELP EXEMPTION: States extra Help positions are exempt from limitation of hours with report to Legislative Council when temporary or part-time employees are employed by DFA for longer than 7 months.

***REVISED LANGUAGE* AUTHORITY TO EMPLOY CERTIFIED LAW ENFORCEMENT OFFICERS:** Gives Department authority to employ certified law enforcement officers to provide security for Department buildings, grounds, property, employees and customers.

CONTINGENT POSITIONS: Authorizes the establishment of 50 contingency data entry positions to be utilized as deemed necessary by the Director of DFA after seeking prior review by Legislative Council/Joint Budget; allows transfers from the various programs in the Act to the Tax Administration Program for salaries and matching.

***LANGUAGE TO BE DELETED* COMMERCIAL DRIVER LICENSE FUND:** Language governs excess funds of the Commercial Driver License Fund over an amount equal to three most recent fiscal year budgets be transferred into the State Central Services Fund.

Revised: October 2016