

# Strategic Business Plan

July 2022 - June 2027



## **Vision**

Achieve the highest level of voluntary compliance by being the trusted leader in tax administration and public service.

## **Mission**

To efficiently administer tax laws and public service programs with integrity.

## **Values**

Integrity, Cooperation, Accountability, Respect, and Excellence.



# Our Story

## Serving Washington

The Department of Revenue's mission is to efficiently administer tax laws and public service programs with integrity. Headquartered in Tumwater, the agency has field offices statewide in Bellingham, Bothell, Kent, Port Angeles, Richland, Seattle, Spokane, Tacoma, Vancouver, Wenatchee, and Yakima. In addition, the Audit division has 55 out-of-state auditors located in 20 states. The agency's staff of over 1,300 includes a wide variety of positions such as lawyers, agents, examiners, analysts, appraisers, programmers, foresters, auditors, and support staff.



## Strategic Pyramid

The Strategic Pyramid communicates Revenue's vision, mission, values, and goals to our staff and customers. It establishes the expectations we strive to achieve and the foundational elements that will ensure success. This pyramid also drives the agency strategic business planning process.

**We are Washington's primary tax collection agency.**





**Our foundation is built on engaged employees.**

## Goal: Workforce Management

**Attract and develop the best teams.**

### Strategies



Address current and future workforce needs and empower employees to succeed.



Support a culture of diversity and inclusion.

### Initiative

- Develop agency level business resource groups modeled after the statewide versions.

### Supporting work efforts

- Enhance recruitment practices to attract talented and skilled employees.
- Expand agency Inclusion, Diversity, and Equity Committee activities.
- Succession planning.
- Expanded telework options.
- Hybrid workforce development.

## Goal: Tax & Program Administration

**Simplify, educate, and enforce.**

### Strategies



Promote sound tax policy.



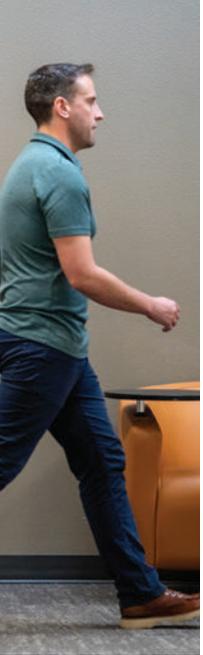
Increase voluntary compliance.

### Initiatives

- Replace the Legislative Tracking System.
- Develop an outreach program to increase voluntary compliance that incorporates data analysis.

### Supporting work efforts

- Increase industry-wide education-specific outreach efforts.
- Gather industry feedback through the Business Advisory Council.
- Represent Washington perspective through membership in national tax organizations.
- Fostering government-to-government relationships with the Tribes through the Tribal Tax Advisory Group and Tribal Partnerships Program.



**We foster ideas that create value for our agency.**

## Goal: Customer Experience

**Build relationships. Empower Success.**

### Strategies



Strengthen trust and accountability.



Reduce the burden on customers by considering their needs.

### Initiative

- Develop and implement a multilingual access plan.

### Supporting work efforts

- Taxpayer advocate program.
- Research a program for customers to raise concerns and address issues of discrimination.
- Incorporate voice of the customer feedback and usability testing in system design.
- Ensure customers have meaningful access to all of Revenue's services.
- Representation on agency and statewide Pro-Equity Anti-Racism initiative.
- Growing the Working Families Tax Credit program.

## Goal: Promote Innovation

**Ideas creating value.**

### Strategies



Foster and support a culture of innovation.



Enhance our administration through continuous improvement.

### Initiatives

- Explore additional payment options including crypto currency and prepaid cards.
- Modernize services by conducting a call center feasibility study.

### Supporting work efforts

- Participate in One Washington initiative to develop one-stop for state services.
- Develop internal technological expertise.
- Empower employees to make decisions at the lowest level and share experiences.
- Modernize electronic records management practices.

# Revenue at a glance

## Revenue collected (FY21)

### State revenues (in billions):

Retail sales and use tax	\$13.4
Business and occupation	\$5.3
State property tax levy	\$4.4
Other state taxes	\$4.3

### Local revenues:

Retail sales and use tax	\$5.8
Other local revenues	\$0.3

**Total collections \$33.5**

## Reporting/active businesses

Active reporting (as of 7/15/2021):

Monthly	145,865
Quarterly	244,706
Annual	231,527

**Total 631,098**

Audits	3,825
Voluntary compliance	98.2%

## Tax Return Filings

Monthly	1,858,811
Quarterly	799,425
Annual	184,153
<b>Total</b>	<b>2,842,389</b>

## Staffing (allotted FY21)

FTEs	1,386.9
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## Efficiencies

Cost per \$100 collected (FY20) 61¢

In the past 20 years, we've increased:

Revenue collected	164.3%
Registered businesses	17.7%
FTEs	23.4%

## Agency budget 2021-2023 biennial (in millions):

FY22	\$192.4
FY23	\$439.2*
<b>Total</b>	<b>\$631.6</b>

\*Increase in FY23 budget includes money allotted for Working Families Tax Credit payments.

## Tax revenue collected and what it provides

- \$13.4 billion — State retail sales and use tax
- \$5.8 billion — Local retail sales and use tax
- \$5.3 billion — Business and occupation tax
- \$4.3 billion — Other state taxes and fees
- \$4.4 billion — State share property tax
- \$0.3 billion — Other local taxes



## Customer service

**2.8 million** Filed returns **95.6%** Returns filed online

**321,567** Phone calls **20,492** Live chats

**9.4 million** Visits to dor.wa.gov **382,757** Business license applications and renewals

**\$74 million** Unclaimed property returned to owners **121,080** Unclaimed property refunds processed

**78** New business workshops (3,384 attendees)





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