

# MEMORANDUM

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**TO:** Joint Budget Committee

**FROM:** Scott Thompson, Joint Budget Committee Staff

**SUBJECT:** Staff Comeback for S2 Tax Document Processing Costs

**DATE:** January 26, 2015

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On Wednesday (January 21, 2015), the Committee approved supplemental adjustments for the Department of Revenue. Among other changes, the decision includes: (1) an increase of \$1,715,601 General Fund and 5.2 FTE in FY 2014-15 for tax document processing costs for remittance processing, tax clearing, and data entry, and (2) ongoing funding of \$1,819,684 General Fund and 14.9 FTE in FY 2015-16 and beyond for these purposes.

Staff returns to the Committee with one issue. Upon further reflection and taking into account the Committee's reservation in approving the supplemental request initially, staff asks the Committee to reconsider the decision to provide the annualization until figure setting for the Department of Revenue. This additional time will allow staff assigned to both the Departments of Personnel and Revenue to provide more complete details to the Committee and develop a long-term solution.

**Staff recommends the Committee approve \$1,715,601 General Fund and 5.2 FTE in FY 2014-15 but allow staff to provide a more detailed analysis for the ongoing funding requests during figure setting.**