

STATEMENT OF PURPOSE

RS25506

This is the FY 2018 appropriation to the State Tax Commission in the amount of \$43,367,700 with full-time equivalent positions capped at 455. This appropriation includes benefit cost increases, Statewide Cost Allocation, a 3% CEC, and cybersecurity insurance. The 3% CEC is a merit-based increase in employee compensation for permanent employees to be distributed at the discretion of each director. Additionally, it includes \$408,200 to replace three vehicles, desktop computers, laptops, servers, other IT equipment, security software, and software for W-2 processing. Finally, this budget includes 4 line items. Line item 1 provides a net zero program transfer of 11 FTP and \$718,500 from the Collections Division to the General Services Division creating a Taxpayer Resource Program within General Services. Line item 2 provides 1 FTP and \$78,300 for an IT programmer in the Property Tax Division to help with the re-write and modernization of Property Tax Software used by 22 counties. Line item 3 provides 3 FTP and \$203,300 for new auditors to help alleviate the additional work created by addressing identity theft and fraudulent tax returns. Line item 4 provides \$300,000 for new storage technology. These new servers will replace the current platter data storage technology with flash array storage and will decrease processing time by an average of 40%. Overall, this budget is a 1.7% increase above the FY 2017 Original Appropriation.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2017 Original Appropriation	451.00	35,162,600	7,492,800	8,000	42,663,400
Removal of One-Time Expenditures	0.00	(1,122,700)	(284,400)	0	(1,407,100)
Base Adjustments	0.00	0	0	0	0
FY 2018 Base	451.00	34,039,900	7,208,400	8,000	41,256,300
Benefit Costs	0.00	317,800	55,000	0	372,800
Inflationary Adjustments	0.00	10,800	900	0	11,700
Replacement Items	0.00	256,600	151,600	0	408,200
Statewide Cost Allocation	0.00	(16,900)	(2,000)	0	(18,900)
Change in Employee Compensation	0.00	599,400	108,000	0	707,400
FY 2018 Program Maintenance	451.00	35,207,600	7,521,900	8,000	42,737,500
1. Reorg - Taxpayer Resource Program	0.00	0	0	0	0
2. IT Programmer	1.00	78,300	0	0	78,300
3. New Auditors	3.00	203,300	0	0	203,300
4. New Storage Technology	0.00	255,000	45,000	0	300,000
5. Commissioner CEC	0.00	0	0	0	0
Cybersecurity Insurance	0.00	43,200	5,400	0	48,600
FY 2018 Total	455.00	35,787,400	7,572,300	8,000	43,367,700
Chg from FY 2017 Orig Approp	4.00	624,800	79,500	0	704,300
% Chg from FY 2017 Orig Approp.	0.9%	1.8%	1.1%	0.0%	1.7%

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Budget and Policy Analysis

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).



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