

Agency 16 - Department Of Revenue

Statutory Authority:

The Nebraska Department of Revenue was officially created by the 1969 Legislature's enactment of Sections 77-360, R.R.S. 1943, effective on January 1, 1970, and the Tax Commissioner was designated as the Department's chief executive or director. The Tax Commissioner's office originated during the Constitutional Convention in 1919-1920. Article IV, Section 28, of the Constitution and Section 77-361 of the Revised Statutes of Nebraska, 1943, gives the Department of Revenue under the direction of the Tax Commissioner, jurisdiction and authority over the administration of all revenue laws of the state.

Vision Statement:

The Department of Revenue will strive to administer the revenue and lottery laws of the State in the most efficient and effective manner possible using current technology to more efficiently collect revenues via electronic means.

Mission Statement:

Our mission is to serve the public by administering the state revenue laws with integrity, efficiency and consistency.

Goals:

1. Provide all taxpayers in the State the most efficient service in all areas of tax compliance and processing.
2. Provide the state adequate tax law enforcement for all tax categories, including Gaming and Motor Fuels.
3. Provide Revenue statistical support and research services to the legislature and other agencies of state government.
4. Implement new initiatives as directed by statute for property tax, gaming, finance and research, and motor fuels.
5. Pursue alternative tax filing methods to obtain easier and more timely filings.
6. Derive new Lottery products and delivery methods to raise funding for specified programs.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	56,328,129	64,424,149	64,758,763	65,042,237	64,856,934	65,875,445
Cash Fund	16,985,409	19,489,493	18,888,829	19,035,327	18,674,638	19,033,166
Federal Fund	3,730	25,000	25,000	25,000	25,000	25,000
Revolving Fund	4,900	6,300	6,300	6,300	6,300	6,300
Other Fund	0	0	0	0	0	0
Total Agency	73,322,168	83,944,942	83,678,892	84,108,864	83,562,872	84,939,911

Agency 16 - Department Of Revenue Program 013 - Tax Commissioner's Salary

Program Objectives:

The salary of the Tax Commissioner is submitted as a separate program request because the Tax Commissioner is a constitutionally designated officer. Statutory authority of the Tax Commissioner is to serve as the chief executive office of the Department of Revenue. As CEO of Revenue, the Tax Commissioner is responsible for the development of policies and procedures for revenue collection at the state and local levels and is also responsible for the administration and collection of all state revenues as provided by law.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	86,510	96,930	97,084	101,485	97,084	106,207
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	86,510	96,930	97,084	101,485	97,084	106,207

Performance Measures:

The goal of the Tax Commissioner is to operate the Department of Revenue in the most efficient, effective and economical manner possible while still achieving all the legislative mandates prescribed by statute. The goals and objectives outlined for the agency are the goals the Tax Commissioner is striving to achieve. Evaluation measures for this program are the accomplishment of the overall goals outlined for the agency in the agency narrative. The evaluation of these measures will be made by the Governor.

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Program 102 - Revenue Administration

Program Objectives:

The objectives of Revenue Administration (program 102) are:

1. to administer the state's revenue laws through enforcement and collection activities,
2. to provide assistance to Nebraska Taxpayers,
3. to provide statistical information and projections of anticipated tax revenues to the Legislature and other interested parties.

The Department directly administers all state tax revenues with the exception of liquor and insurance taxes. Audits are performed on selected taxpayers located throughout the nation to determine that all appropriate taxes are reported and paid the state. The Department maintains branch offices located throughout Nebraska as well as a toll free taxpayer assistance line.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	18,450,403	19,706,752	20,041,212	20,320,285	20,139,383	21,148,771
Cash Fund	144,265	170,649	170,649	177,687	170,649	184,878
Federal Fund	0	0	0	0	0	0
Revolving Fund	4,900	6,300	6,300	6,300	6,300	6,300
Other Fund	0	0	0	0	0	0
Total Agency	18,599,568	19,883,701	20,218,161	20,504,272	20,316,332	21,339,949

Performance Measures:

The program objective of this program is provide fair and equitable tax administration and to collect state tax revenues in the most efficient and effective manner for taxpayers of the state.

Agency 16 - Department Of Revenue Program 104 - County Property Tax Relief

Program Objectives:

The County Property Tax Relief Program was created by LB 695 in 1998 and is found in Section 77-3618 R.R.S. The program is used to distribute money to county governments to provide property tax relief and equalize county capacity to pay for public services from property taxes. Funds are distributed on or before September 1 each year according to the formula created in this section.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	5,600,479	6,007,165	6,007,165	6,007,165	6,007,165	6,007,165
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	5,600,479	6,007,165	6,007,165	6,007,165	6,007,165	6,007,165

Performance Measures:

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Program 108 - Homestead Reimbursement To Counties

Program Objectives:

This program provides property tax relief to special categories of homeowners through state funded reimbursements to local governments for property taxes not collected due to homestead exemptions granted.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	32,190,737	38,613,302	38,613,302	38,613,302	38,613,302	38,613,302
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	32,190,737	38,613,302	38,613,302	38,613,302	38,613,302	38,613,302

Performance Measures:

This program provides for the reimbursement to counties of a limited homestead exemption from the General Funds for the revenue lost due to this provision of statutes. Payment is made to the counties from January to June. The program will be measured by the distribution of homestead payments in the most efficient and effective manner by the Department. This will be evaluated and measured by the Tax Commissioner.

Agency 16 - Department Of Revenue Program 111 - Motor Fuel Administration

Program Objectives:

This program's objectives include:

1. administering all motor fuel tax programs, ensuring compliance with state laws;
2. providing assistance to taxpayers regarding motor fuels tax programs; and,
3. ensuring compliance with laws through an increased emphasis on collections, audit and investigation activities.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	1,597,004	2,418,356	1,889,846	1,955,205	1,892,775	2,034,944
Federal Fund	3,730	25,000	25,000	25,000	25,000	25,000
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	1,600,734	2,443,356	1,914,846	1,980,205	1,917,775	2,059,944

Performance Measures:

In order to meet the objectives of this program, we will perform the following:

1. work closely with taxpayers to correct inaccurate entries and resolve cross matching questions;
2. continue to increase the voluntary EDI filing rate from a current 13% to 50%;
3. expand on-site visitations by account representatives with a goal of reviewing 100 percent of the retailers within a 3-year period;
4. audit 3 out-of-state suppliers each year;
5. conduct one audit in each Nebraska county over a 5-year period; and,
6. audit all refund claims requesting more than \$10,000.

Agency 16 - Department Of Revenue Program 160 - Lottery Administration

Program Objectives:

The mission of the Nebraska Lottery is to maximize Lottery ticket sales and to transfer a minimum of 25% of Lottery ticket revenue to the three recipient funds. Also, to provide a good entertainment option with a high level of integrity within the game structure, distribution channels and Lottery operations.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	13,513,246	14,837,688	14,832,640	14,832,888	14,610,400	14,655,981
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	13,513,246	14,837,688	14,832,640	14,832,888	14,610,400	14,655,981

Performance Measures:

Agency 16 - Department Of Revenue Program 504 - Charitable Gaming

Program Objectives:

The purpose of Program 504, Charitable Gaming, as stated in Neb. Rev. Stat. Section 9-1,101 (Reissue 1997) is to administer and enforce the provisions of the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act and Neb. Rev. Stat. Section 9-701 (Reissue 1997) dealing with gift enterprises.

Financial Data:

	Actual FY00	Approp FY01	Request FY02	Recom FY02	Request FY03	Recom FY03
General Fund	0	0	0	0	0	0
Cash Fund	1,730,894	2,062,800	1,995,694	2,069,547	2,000,814	2,157,363
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	1,730,894	2,062,800	1,995,694	2,069,547	2,000,814	2,157,363

Performance Measures:

The objectives for this program are to:

1. insure only qualified individuals and businesses are authorized to conduct charitable gaming activities,
2. insure that all charitable gaming revenues are fully reported and accounted for and used only for those purposes permitted by law; prevent the purposes for which the profits of charitable gaming activities are to be used from being subverted by improper elements,
3. protect the health and welfare of the public and insure that charitable gaming activities are being conducted only by those methods permitted in each of the acts.