

**FINANCE AND ADMINISTRATION--REVENUE SERVICES (630)**

**FISCAL YEAR 2016**

**As Enacted by Act 924 of 2015**

**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 (which prepares deposits of all monies for deposit with the State Treasurer) 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 is \$1,273,481,673 for FY2016.

**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**

This appropriation provides for the operating expenses of this program. Fees collected for licenses issued are dedicated as special revenue to support the program. The change level request is \$1,000,000 in Operating Expenses for costs associated with the Arkansas Integrated Revenue System Driver Services.

**Operations Appropriation**

This appropriation is for the operation of the Revenue Services Division. The change level request is \$2,315,135 in FY2016 for Regular Salaries and Personal Services Matching to support 20 additional positions, Operating Expenses to cover postage, rent increase, and other operating related expenses. The change level request also allows for the replacement of aging and high mileage vehicles in the Capital Outlay line item.

**III) ADDITIONAL POSITIONS (Total FY2015 Authorized Positions:1,480)**

Total Authorized Positions FY2016: 1,501

Total Base Level Positions: 1,480

Increase / (Decrease) Over Base Level: 21

Extra Help Positions FY2016: 221 (Total FY2015 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.

**AUTHORITY TO EMPLOY CERTIFIED LAW ENFORCEMENT OFFICERS:** Gives Department authority to employ not more than one (1) certified law enforcement officer 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.

**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.

April 2015