

Electronic Filing Mandates of Business Taxes:

**Lessons Learned and
Recommendations**

presented by
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FTA Annual Meeting Providence, R.I.

June 7, 2004

Outline

- About Trustfile
- State Approaches to Mandating
- Goals, Lessons, Models
- Policy Considerations and Recommendations
- Optimization

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Trustfile

- First in US to transmit business tax e-filing and payment data
- 17,000 licenses sold to businesses
- 24 of the Fortune 100
- \$8 to \$10 billion transmitted annually

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- Mission:
 - Connect all state and local business tax agencies with one single electronic filing and payment platform.

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Sales Tax Mandates

- Florida
- South Carolina
- Tennessee
- Minnesota
- Texas
- Wisconsin
- Massachusetts
- Missouri
- Connecticut
- Oklahoma
- Alabama
- New Jersey

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Big Picture

- Legislative vs administrative rule
- Thresholds
- State web sites
- Expand to more business taxes
- Leveraging the private sector
- Implementation

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Goals

- Maximize paperless returns
- Maximize customer satisfaction
- Minimize cost

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Lessons

- Build it, but will they come?
- Without mandate and/or convenience
- limited traction
- One size won't fit all

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Lessons

- A large segment of customers will wait until the last minute
- Customers won't read!
- Customer support is a major component of a new mandate
- Train wrecks can happen

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Evolution Of Models

- Private sector
- Closed statewide portals
- Free state web site
 - Closed systems and communications
- Public / private leveraging resources

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Policy Decisions

- What market segments to target?
- Small, medium, large, multi-state
- Many diverse needs

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Policy Decisions

- How far to go?
 - Build to meet all wants?
 - Build only for core needs?
 - Limited resources
- Leverage the private sector?

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Policy Decisions

- Who drives the bus?
- Agency tendencies
 - Closed system
 - Closed communications
 - Competitors or partners?
- Henry Ford “You can have any color you want as long as it is black”

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Policy Recommendations

- Seek open systems
 - Build to meet all needs and wants?
 - Unmet customer needs
 - Separate silos...
 - SSTP success requires open systems

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Policy Recommendations

- Open system
 - Leverage public / private resources
 - Maximizes paperless
 - Maximizes customer satisfaction
 - Minimizes cost

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Policy Recommendations

- Open communication
 - Inform your customers of all options
 - Help them optimize
 - Options meet diverse segment needs
 - Maximum customer satisfaction

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Open Communication

- Public service disclosure
- Include all options in normal communication strategy
- Web, mandate letters, help desk, seminars
- Registration navigation

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Optimization

- State meets core needs
- Private sector fills the gaps
- Multiple options maximize customer satisfaction and paperless returns
- Effective communication of all options

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Optimization

- Focus on goal attainment
- Measure total vs. state portal paperless results
- Partners vs competitors

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Your Customers Want:

- A convenient, reliable, and cost effective filing tool that meets their unique filing needs
 - Communicated clearly
 - Available in **advance** of the mandate

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