

State of Alaska FY2004 Governor's Operating Budget

Department of Administration Tax Appeals Component Budget Summary

Component: Tax Appeals

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Component Mission

- To offer impartial and expeditious adjudication of tax appeals and other administrative appeals.

Component Services Provided

- Conduct hearings and issue final administrative decisions in all taxpayer appeals from informal conference decisions of the Department of Revenue.
- Conduct hearings and issue recommended or final decisions, as provided by law, in appeals to the Commissioner of Administration in procurement, contract claims and personnel matters.
- Provide impartial and cost-effective hearings in cases assigned by other departments to OTA for hearing.

Component Goals and Strategies

OTA's goal is to increase public confidence in the fairness and effectiveness of the administrative appeals process by

- Providing impartial and timely hearings in all types of appeals,
- Tailoring procedures and using telecommunications technology to provide fair and cost-effective hearings;
- Facilitating public access to final decisions and administrative law by publishing decisions on the Internet.
- Offering professional and cost effective hearing officers to conduct independent administrative hearings for other departments, consistent with a new initiative of the Governor and the Legislative majority to make the administrative appeal process more fair and efficient.

Key Component Issues for FY2003 – 2004

- Increase I/A receipts by hearing additional administrative appeals for other departments/agencies to generate revenues sufficient to fully fund the full time Hearing Officer position, new office equipment and on-line legal research.

Major Component Accomplishments in 2002

- Continued to provide expeditious hearings and decisions in administrative appeals despite a growing caseload of non-tax appeals and no budget increase.

Statutory and Regulatory Authority

AS 43.05.400-499	Tax Appeals
AS 36.30.595-680	Procurement
AS 39.25	State Personnel Act

Tax Appeals
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	209.0	197.0	198.0
72000 Travel	4.0	7.5	7.5
73000 Contractual	13.5	16.7	16.7
74000 Supplies	1.0	3.0	3.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	227.5	224.2	225.2
Funding Sources:			
1004 General Fund Receipts	200.5	183.2	183.9
1007 Inter-Agency Receipts	27.0	41.0	41.3
Funding Totals	227.5	224.2	225.2

Tax Appeals

Proposed Changes in Levels of Service for FY2004

Conduct more hearings for other agencies and departments.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	183.2	0.0	41.0	224.2
Adjustments which will continue current level of service:				
-Annualize FY2003 COLA Increase for General Government Bargaining Unit	0.0	0.0	0.2	0.2
-\$75 per Month Health Insurance Increase for Non-covered Staff	0.7	0.0	0.1	0.8
FY2004 Governor	183.9	0.0	41.3	225.2

Tax Appeals

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	2	2	Annual Salaries	168,313
Part-time	1	1	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	53,475
			<i>Less 10.73% Vacancy Factor</i>	(23,788)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	198,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	1	0	1
Administrative Law Judge	0	0	1	0	1
Hearing Officer	0	0	1	0	1
Totals	0	0	3	0	3