



## **Joint Collection Effort for NC DOR and Local Tax Officials**

2008 Summer Conference

NCAAO and NCTCA

NC Dept. of Revenue



## **Sharing Collection and Assessment Knowledge Between NC DOR and Local Tax Officials**

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# What we' ll discuss

- Why this topic.
- What information we currently share.
- How we can expand what we currently share.



# The Vision 2010 Way

- Work collaboratively internally with the benefit of well-integrated systems.
- Work effectively with public and private partners.
- Thinking out of the box.
- Willingness to fail—in order to succeed.
- Building relationships with appropriate external partners in pursuit of goals.

# What allows us to share information?

- NCGS 105-289(e)

The Department of Revenue may furnish the following information to a local tax official:

- (1) Information contained in a report to it or to any other State department; and
- (2) Information the Department has in its possession that may assist a local tax official in securing complete tax listings, appraising or assessing taxable property, collecting taxes, or presenting information in administrative or judicial proceedings involving the listing, appraisal, or assessment of property.

# Local Tax Official

- NCGS 105-273 (10a) "Local tax official" includes a county assessor, an assistant county assessor, a member of a county board of commissioners, a member of a county board of equalization and review, a county tax collector, and the municipal equivalents of these officials.

# **Local Tax Official – the assessor**

## **§ 105-296. Powers and duties of assessor.**

- (b) Within budgeted appropriations, he shall employ listers, appraisers, and clerical assistants necessary to carry out the listing, appraisal, assessing, and billing functions required by law. The assessor may allocate responsibility among such employees by territory, by subject matter, or on any other reasonable basis.

# **Local Tax Official – the collector**

## **§ 105-350. General duties of tax collectors.**

- (a) To employ all lawful means to collect all property, dog, license, privilege, and franchise taxes with which he is charged by the governing body.

# Local Tax Official – the assessor

## § 105-299. Employment of experts.

- (b) The board of county commissioners may employ ... persons or firms having expertise in one or more of the duties of the assessor to assist the assessor in the performance of these duties. The county may make available to these persons any information it has that will facilitate the performance of a contract entered into pursuant to this section. Persons receiving this information are subject to the provisions of G.S. 105-289(e) and G.S. 105-259 regarding the use and disclosure of information provided to them by the county.

# What does DOR require first?

- Secrecy Provision Forms
- NCGS 105-289(e) The Department may not furnish information to a local tax official pursuant to this subsection unless it has obtained a written certification from the official stating that the official is familiar with the provisions of this subsection and G.S. 153A-148.1 or G.S. 160A-208.1, as appropriate, and that information obtained from the Department under this subsection will be used only for the purposes stated in subdivision (2).

# Disclosure prohibited

§ 153A-148.1. Disclosure of certain information prohibited.

*A county...* may not disclose the information to any other person unless the disclosure is made for one of the following purposes:

- (5) To exchange information with the Department of Revenue, when the information is needed to fulfill a duty imposed on the Department or on the county.

# Sharing info with DOR

- NCGS 105-296(h) – Information requested after the abstract is reviewed is not public record, but shall be made available, upon request, to representatives of the Department of Revenue.

# The Big Picture

- DOR can share, for property tax purposes, any information in its possession with a local tax official as long as the local tax official has secrecy provision forms on file with our office.
- Local tax officials can share much of the normally non-public information they hold with the Department of Revenue when the information is needed to fulfill a duty imposed on the Department or on the county.

# Examples of what is currently shared with local tax officials.

- Income Tax Information relating to property
  - Balance sheet information
  - Schedule D – Investment in NC Property
- Sales and Use Tax List by county
- Corporate Taxpayer List by county
  - Trade Name, Legal Name, Address, Business Class
- Taxpayer ID numbers – if you provide identifying information – Name and vehicle tag number.

# Examples of what is currently shared with local tax officials.

- Banking information – We need taxpayer's name and FID or at least the city of the taxpayer.
- Wildlife registration records.
- Income information regarding the Homestead Exclusion.
- Any other document or information in our possession or information contained in a report to any other State department .

# What the DOR will not provide

- Federal Tax Information (FTI)
- The Internal Revenue Code does not permit further disclosure of FTI in the possession of an authorized state agency to other state agencies or subdivisions of the state, even if state statutes allow it.

# How can we do more?

- State and Local Tax Officials.
- We communicate with the same taxpayers
- We send forms for compliance
- We deal with the same officials (ex. Clerk of court)
- We use the same delinquent collection remedies.
- We have large amounts of data.

# Possibilities

- Tax officials begin getting current available information.
- Database of certified local tax officials on intranet.
- Share large databases.
- Learn collection techniques.
- Exchange contact information.
- Local tax officials notify DOR of non-compliant taxpayers.
- Put questions on local forms that help DOR.
- Put questions on state forms that help local tax officials.

# How to proceed

- Address initial legal concerns
- Meet to discuss common issues
- Think out of the box
- Build the relationships
- Build the systems we need to legally and effectively share information that will strengthen both state and local tax systems.

**Questions you have.....**

**Ideas you already have.....**

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