

## Taxation and Finance, Department of

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### Mission

To efficiently collect tax revenues in support of State services and programs while acting with integrity and fairness in the administration of the tax laws of New York State.

### Organization and Staffing

The Department of Taxation and Finance (DTF) collects tax revenue and provides associated services in support of certain New York State government operations. In fulfilling its responsibilities, the Department collects and accounts for \$76 billion in State taxes and about \$40 billion in local taxes; administers 34 State and 11 local taxes, including New York City and City of Yonkers income taxes, as well as the Metropolitan Commuter Transportation Mobility Tax; and processes about 26 million returns. The Department also manages the State Treasury, which provides investment and cash management services to various State agencies and public benefit corporations, and acts on the Tax Commissioner's behalf as joint custodian of the State's General Checking Account. On June 6, 2010, the Department statutorily merged with the former Office of Real Property Services (ORPS) in order to realize significant savings and efficiencies, and enhance the State's oversight of local property tax administration.

### Budget Highlights

The FY 2020 Executive Budget recommends \$468.6 million All Funds (\$271.9 million General Fund; \$196.6 million Other Funds) for the Department of Taxation and Finance. This is an increase of \$3.2 million, or 0.7 percent from FY 2019 levels. The Executive Budget recommends a workforce of 4,085 FTEs for the Department. This fill level is 110 FTEs, or 2.8 percent, above the FY 2019 budget. The increase of staff and funds is driven by an increase in resources to the audit and enforcement teams, which will reduce or deny more fraudulent refunds before they are issued and help analyze more returns for fraud after they have been filed and processed. There is also a decrease in funds as a set of equitable sharing funds are eliminated. The FY 2019 budget created new equitable sharing funds, and after a full transition, the old equitable sharing funds are no longer active.

### Program Highlights

The Tax Department efficiently collects tax revenues with integrity, fairness, and a customer service focus. The Department is actively modernizing and right-sizing to be more efficient, effective, and accountable to its customers. Forward-looking operational goals include:

- Strategically invest in enabling technologies and business intelligence to optimize outcomes.
- Rapidly and nimbly deploy resources to address fluctuations, trends, and operational changes and challenges.
- Recruit, develop, and retain top talent.

Department operations are organized along major functional lines:

**Administration and Operations:** Supports the Department's revenue-generation mission through the delivery of legal, financial, personnel, and other critical services.

**Conciliation and Mediation:** Provides taxpayers with a statutorily-mandated option of informal and impartial dispute resolution in an attempt to avoid time-consuming formal administrative hearings with the Division of Tax Appeals.

**Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax:** Reviews tax policies and proposals; develops tax forms, instructions, and guidance; captures tax return data and maintains taxpayer records; processes payments and refunds; responds to taxpayer inquiries; identifies and resolves errors; identifies and investigates noncompliance with the tax code; collects delinquent taxes; oversees local property tax administration in New York State; performs assessment equalization in order to apportion property taxes and calculate State aid; determines assessments on specific property categories; and delivers assessment support services to local governments.

**Treasury Management:** Acts on the Tax Commissioner's behalf as custodian of the State Treasury and joint-custodian of the State's General Checking Account.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

Category	Available FY 2019	Appropriations Recommended FY 2020	Change From FY 2019	Reappropriations Recommended FY 2020
State Operations	460,413,400	463,635,400	3,222,000	13,200,000
Aid To Localities	4,926,000	4,926,000	0	0
<b>Total</b>	<b>465,339,400</b>	<b>468,561,400</b>	<b>3,222,000</b>	<b>13,200,000</b>

**ALL FUND TYPES  
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM  
FILLED ANNUAL SALARIED POSITIONS**

Program	FY 2019 Estimated FTEs 03/31/19	FY 2020 Estimated FTEs 03/31/20	FTE Change
Administration and Operations			
General Fund	300	300	0
Conciliation and Mediation			
General Fund	23	23	0
New York State Secure Choice Savings			
Special Revenue Funds - Other	6	6	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax			
General Fund	2,953	3,063	110
Special Revenue Funds - Other	661	661	0
Treasury Management			
Special Revenue Funds - Other	32	32	0
<b>Total</b>	<b>3,975</b>	<b>4,085</b>	<b>110</b>

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

Fund Type	Available FY 2019	Recommended FY 2020	Change
General Fund	261,994,000	271,016,000	9,022,000
Internal Service Funds	74,642,400	74,642,400	0
Special Revenue Funds - Federal	5,000,000	0	(5,000,000)
Special Revenue Funds - Other	118,777,000	117,977,000	(800,000)
<b>Total</b>	<b>460,413,400</b>	<b>463,635,400</b>	<b>3,222,000</b>
Adjustments:			
Transfer(s) To			
Civil Service, Department of			
General Fund	86,000		
Employee Relations, Office of			
General Fund	94,000		
<b>Appropriated FY 2019</b>	<b>460,593,400</b>		

NYS DOB | FY2020 Executive Budget | Agency Appropriations  
**STATE OPERATIONS**  
**ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM**  
**APPROPRIATIONS**  
(dollars)

Program	Available FY 2019	Recommended FY 2020	Change
Administration and Operations			
General Fund	33,562,000	33,562,000	0
Conciliation and Mediation			
General Fund	1,629,000	1,629,000	0
New York State Secure Choice Savings			
Special Revenue Funds - Other	4,000,000	4,000,000	0
New York State is Open for Business			
General Fund	250,000	250,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax			
General Fund	226,553,000	235,575,000	9,022,000
Internal Service Funds	74,642,400	74,642,400	0
Special Revenue Funds - Federal	5,000,000	0	(5,000,000)
Special Revenue Funds - Other	108,239,000	107,439,000	(800,000)
Treasury Management			
Special Revenue Funds - Other	6,538,000	6,538,000	0
<b>Total</b>	<b>460,413,400</b>	<b>463,635,400</b>	<b>3,222,000</b>

**STATE OPERATIONS - GENERAL FUND**  
**SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES**  
**FY 2020 RECOMMENDED**  
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Operations	17,776,000	0	17,574,000	0
Conciliation and Mediation	1,551,000	0	1,551,000	0
New York State is Open for Business	250,000	0	250,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	226,002,000	8,622,000	222,565,000	7,622,000
<b>Total</b>	<b>245,579,000</b>	<b>8,622,000</b>	<b>241,940,000</b>	<b>7,622,000</b>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration and Operations	142,000	0	60,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	1,247,000	0	2,190,000	1,000,000
<b>Total</b>	<b>1,389,000</b>	<b>0</b>	<b>2,250,000</b>	<b>1,000,000</b>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
FY 2020 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Operations	15,786,000	0	3,018,000	0
Conciliation and Mediation	78,000	0	4,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	9,573,000	400,000	768,000	0
<b>Total</b>	<b>25,437,000</b>	<b>400,000</b>	<b>3,790,000</b>	<b>0</b>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Operations	134,000	0	11,743,000	0
Conciliation and Mediation	69,000	0	4,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	5,129,000	0	3,555,000	400,000
<b>Total</b>	<b>5,332,000</b>	<b>0</b>	<b>15,302,000</b>	<b>400,000</b>

Program	Equipment	
	Amount	Change
Administration and Operations	891,000	0
Conciliation and Mediation	1,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	121,000	0
<b>Total</b>	<b>1,013,000</b>	<b>0</b>

**NYS DOB | FY 2020 Executive Budget | Agency Appropriations  
STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
FY 2020 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
New York State Secure Choice Savings	4,000,000	0	354,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	182,081,400	(5,800,000)	75,416,600	2,443,000
Treasury Management	6,538,000	0	2,575,000	0
<b>Total</b>	<b>192,619,400</b>	<b>(5,800,000)</b>	<b>78,345,600</b>	<b>2,443,000</b>

Program	Nonpersonal Service	
	Amount	Change
New York State Secure Choice Savings	3,646,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax	106,664,800	(8,243,000)
Treasury Management	3,963,000	0
<b>Total</b>	<b>114,273,800</b>	<b>(8,243,000)</b>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

Fund Type	Available FY 2019	Recommended FY 2020	Change
General Fund	926,000	926,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
<b>Total</b>	<b>4,926,000</b>	<b>4,926,000</b>	<b>0</b>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

Program	Available FY 2019	Recommended FY 2020	Change
Medical Marihuana			
Special Revenue Funds - Other	4,000,000	4,000,000	0
Revenue Analysis, Collection, Enforcement, Processing, and Real Property Tax			
General Fund	926,000	926,000	0
<b>Total</b>	<b>4,926,000</b>	<b>4,926,000</b>	<b>0</b>

Note: Most recent estimates as of 1/15/2019