



April 18, 2012

Glen Dickinson, Director  
Legislative Services Agency  
State Capitol  
LOCAL

Dear Mr. Dickinson:

I am writing to update you on the centralized debt collection program for the quarter ending March 31, 2012. This report is required by Iowa Code Chapter 421.17(27)h.

This legislation authorizes the Department of Revenue to establish a centralized debt collection program for state agencies and requires quarterly reports concerning implementation of the program, the number of departmental collection programs initiated, the amount of debt collected and an estimate of future costs and benefits. The following pages provide information in these four areas.

#### **Central Collections Program Implementation**

The centralized debt collection program represents only the collection services provided to the Judicial Branch, the Department of Revenue, the Department of Human Services Child Support Recovery Unit and the Department of Natural Resources by the Department of Revenue's public-private partnership. Each agency participating in the partnership generates additional collections beyond those reflected in this report.

The Centralized Collection Unit (CCU) continues to provide services to the Judicial Branch, the Department of Revenue, the Department of Human Services Child Support Recovery Unit and the Department of Natural Resources.

The Department also implemented new procedures found in Iowa Code Section 321.40 which allows County Treasurers to collect tax debt in order for debtors to obtain their vehicle registration.

#### **Collections by Quarter**

The attached tables show quarterly revenues that were generated by the CCU. Collections for this quarter totaled \$15.8 million, an increase of \$1.2 million compared to the same quarter last year. When compared to the same quarter of FY 2011, District Court collections had a slight increase of \$0.4 million, Tax collections increased \$0.7 million, Child Support had a slight increase, and the Department of Natural Resources had a significant increase.

The attached tables reflect only the efforts of the Central Collection Unit.

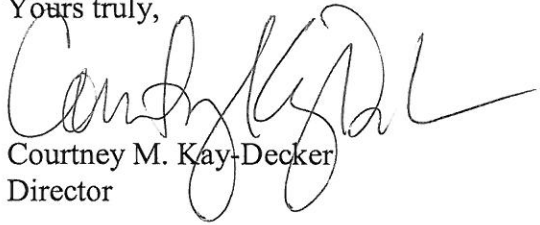
**Cost/Benefit**

The Central Collection Unit is self-supporting and charges for all direct and indirect costs that are properly allocable to CCU activities. Fiscal year 2012 costs are expected to total 13.5 percent of the amount collected.

<u>Fiscal Year</u>	<u>Cost vs. Amount Collected</u>
FY 2007	9.93%
FY 2008	8.26%
FY 2009	8.28%
FY 2010	18.12%
FY 2011	14.11%

If you or your staff has any questions regarding this information, please feel free to contact me.

Yours truly,



Courtney M. Kay-Decker  
Director

**Iowa Department of Revenue  
Central Collection Unit Quarterly Report**

<b>Collections for Quarter Ending</b>	<b>March 2012</b>	
<u>Program</u>		
CCU - IDR Tax Receivables		\$8,093,675
CCU - Judicial		\$7,538,264
CCU – DHS Child Support		\$165,696
CCU - DNR		<u>\$9,046</u>
<b>Total</b>		<b>\$15,806,681</b>
<b>Collections for Quarter Ending</b>	<b>December 2011</b>	
<u>Program</u>		
CCU - IDR Tax Receivables		\$9,941,426
CCU - Judicial		\$6,691,044
CCU – DHS Child Support		\$103,511
CCU - DNR		<u>\$3,130</u>
<b>Total</b>		<b>\$16,739,110</b>
<b>Collections for Quarter Ending</b>	<b>September 2011</b>	
<u>Program</u>		
CCU - IDR Tax Receivables		\$8,587,789
CCU - Judicial		\$7,465,178
CCU – DHS Child Support		\$181,000
CCU - DNR		<u>\$15,660</u>
<b>Total</b>		<b>\$16,249,628</b>
<b>Collections for Quarter Ending</b>	<b>June 2011</b>	
<u>Program</u>		
CCU - IDR Tax Receivables		\$6,360,075
CCU - Judicial		\$6,455,527
CCU – DHS Child Support		\$142,639
CCU - DNR		<u>\$11,631</u>
<b>Total</b>		<b>\$12,969,871</b>

<b>Collections for Quarter Ending</b>	<b>March 2011</b>
<u>Program</u>	
CCU - IDR Tax Receivables	\$7,327,940
CCU - Judicial	\$7,148,458
CCU – DHS Child Support	\$156,301
CCU - DNR	<u>\$2,258</u>
<b>Total</b>	<b>\$14,634,956</b>

<b>Collections for Quarter Ending</b>	<b>December 2010</b>
<u>Program</u>	
CCU - IDR Tax Receivables	\$9,481,101
CCU - Judicial	\$6,653,740
CCU – DHS Child Support	\$167,022
CCU - DNR	<u>\$4,146</u>
<b>Total</b>	<b>\$16,306,009</b>

<b>Collections for Quarter Ending</b>	<b>September 2010</b>
<u>Program</u>	
CCU - IDR Tax Receivables	\$7,009,224
CCU - Judicial	\$6,392,228
CCU – DHS Child Support	\$120,980
CCU - DNR	<u>\$12,004</u>
<b>Total</b>	<b>\$13,534,435</b>

<b>Collections for Quarter Ending</b>	<b>June 2010</b>
<u>Program</u>	
CCU - IDR Tax Receivables	\$8,004,913
CCU - Judicial	\$6,451,814
CCU – DHS Child Support	\$136,923
CCU - DNR	<u>\$29,336</u>
<b>Total</b>	<b>\$14,622,985</b>

