



**Iowa Department of Revenue**

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**Director:** Courtney M. Kay-Decker  
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Des Moines, Iowa 50319  
[www.iowa.gov/tax](http://www.iowa.gov/tax)

October 23, 2012

Mr. David Roederer  
Director  
Iowa Department of Management  
State Capitol Building

Mr. Glen Dickinson  
Director  
Iowa Legislative Services Agency  
State Capitol Building

Office of the Secretary of Senate  
Iowa Senate  
For the Legislative Fiscal Committee  
State Capitol Building

Office of the Chief Clerk  
Iowa House of Representatives  
For the Legislative Fiscal Committee  
State Capitol Building

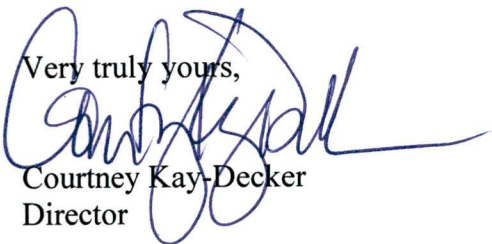
Re: Department of Revenue Collection Enterprise

Dear Mr. Roederer, Mr. Dickinson, and Members of the Legislative Fiscal Committee:

Iowa Code §421.17(27)(h) and (j) (2011) requires the Director to report quarterly the collection results and annually collection positions added and costs incurred by the Department of Revenue. Please accept the attached report as the FY12 year-end report as required by this section.

If you have any questions or further information is needed, please let me know.

Very truly yours,

  
Courtney Kay-Decker  
Director

**Iowa Department of Revenue  
FY 2012 Collection Enterprise Report  
October 2012**

The Iowa Collection Enterprise (ICE) encompasses all collection activities of the Department of Revenue. This includes not only the collection of assessed tax obligations by the Department but also collections made in support of the Judicial Branch, DHS Child Support Recovery and the Department of Natural Resources. The ICE is funded by receipts and by collection charges that are passed on to obligors.

**Collections by Fiscal Year**

Collections for Fiscal Year 2012 were \$187.3 million. This is \$16.3 million more than was collected in Fiscal Year 2011. The collection increase was largely attributable to being allowed to fill 14 vacant positions during the year. The vacancies were originally the result of the SERIP retirement program that occurred at the end of FY 2010.

The attached table details collections for the past four fiscal years. The College Student Aid Commission moved its collection activity from ICE in FY 2009.

**Cost/Benefit**

Collection costs totaled \$13.26 million. Total costs equaled 7.1 percent of the amount collected.

FY 2013 collections are estimated to total \$190.0 million at a cost of \$13.9 million. FY 2010 and FY 2011 include costs related to an upgrade to the Web-enabled collection system required in 2008 Iowa Acts, 82<sup>nd</sup> G.A. Ch. 1172, §31. The collection system upgrade was completed in FY 2011.

The Collection Enterprise is currently operating with 65 filled positions the same number of filled positions as FY 2012.

<u>Fiscal Year</u>	<u>Collections</u>	<u>Cost</u>	<u>Cost ratio</u>
FY 2010 Actual	\$192.7M	\$15.7M	8.1%
FY 2011 Actual	\$171.1M	\$13.4M	7.8%
FY 2012 Actual	\$187.3M	\$13.3M	7.1%
FY 2013 Estimate	\$190.0M	\$13.9M	7.3%

## Iowa Department of Revenue

### Iowa Collection Enterprise

#### Collections for Fiscal Year 2012

<u>Program</u>	<u>Dollars Collected</u>
IDR Tax Receivables	\$ 158,379,897
Judicial	\$ 28,353,016
DHS Child Support	\$ 560,316
DNR	\$ 42,031
<b>Total</b>	<b>\$ 187,335,260</b>

#### Collections for Fiscal Year 2011

<u>Program</u>	<u>Dollars Collected</u>
IDR Tax Receivables	\$ 143,805,273
Judicial	\$ 26,649,952
DHS Child Support	\$ 586,942
DNR	\$ 31,140
<b>Total</b>	<b>\$ 171,073,307</b>

#### Collections for Fiscal Year 2010

<u>Program</u>	<u>Dollars Collected</u>
IDR Tax Receivables	\$ 167,017,243
Judicial	\$ 25,147,803
DHS Child Support	\$ 535,264
DNR	\$ 45,752
<b>Total</b>	<b>\$ 192,746,062</b>

#### Collections for Fiscal Year 2009

<u>Program</u>	<u>Dollars Collected</u>
IDR Tax Receivables	\$ 134,157,082
Judicial	\$ 20,040,649
College Aid	\$ 1,406,564
DHS Child Support	\$ 494,260
DNR	\$ 10,479
<b>Total</b>	<b>\$ 156,109,034</b>