



**Department of Revenue**

**Presentation for  
House Administration and Regulation  
Appropriations Subcommittee**

January 22, 2024

Mary Mosiman, Director

# About the Department



## Mission

To serve Iowans through the responsible collection and generation of revenue to support the public good.



## Vision

Iowa will be a state that uses innovation to make it simple to comply with revenue laws and deliver fun and fair lottery experiences.



## Values

**I**ntegrity first  
**D**edicated to teamwork  
**R**eady to serve

# FY 2025 Department of Revenue Goals

- Successful alignment of ABD/ILOT/IDR into one highly efficient department
- Continued successful deployment of IMPACT and realization of related benefits
- High customer service rates for all interactions with lowans and lowa employers
- Improved operational performance through the use of generative AI in a secure and responsible manner

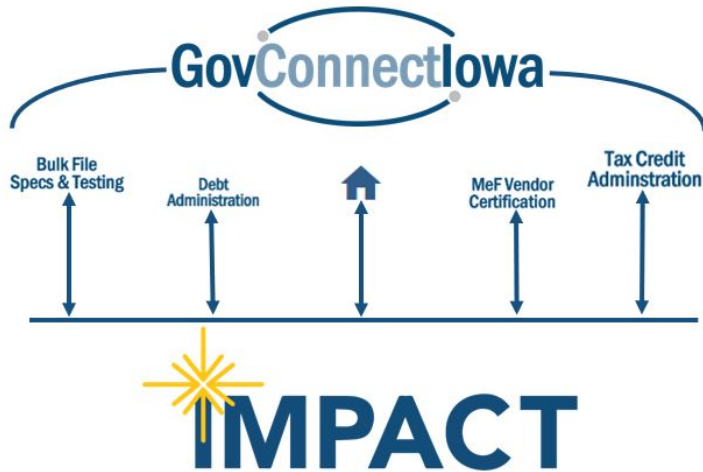
# IDR Chatbot - The Kernel



# Tax Modernization Rollout Schedule

Rollout	Scope	Dates
1	<b>Business Filers:</b> Withholding Tax, State Sales Tax, Use Tax, Hotel/Motel Tax, Local Option Sales Tax, Automobile Rental Tax, Water Service Excise Tax, E911 Fees, Fuel Tax	Complete
2	<b>Corporate Filers:</b> Corporate Income Tax (S-Corp, C-Corp and Partnership), Franchise Tax, Tax Credits, associated distributions	Complete
3	<b>Individual Filers:</b> Individual Income Tax, Fiduciary Tax, Inheritance Tax, Setoffs, Non-tax debt	Complete
4	<b>Local Government (LG), Tobacco Products Licensees, and Business Filers:</b> LG Oversight (Equalization), LG Distributions (Credits, Exemptions, etc.), Utility Replacement Tax, Central Assessments, Statewide Property Tax Cigarette and Tobacco Products Tax and related licensing, Moneys and Credits Tax, Motor Vehicle One-Time Registration Fee, Drug Stamp Tax,	Nov 2024
5	<b>Alcohol Beverages Licensees and Business Filers:</b> Retail licenses (Class B, C, D, E, F); Brewer's, Distiller's, Broker's, Shipper's, Carrier's, and Manufacturer's licenses and permits (including Class A), etc.; related administrative actions.	Nov 2025

# Modernization: GovConnectIowa



## To date, GovConnectIowa portal facilitated:

- **415,000** total number of businesses registered
- **6,033** lottery, alcohol, and food safety license applications and renewals
- **1.9** million tax returns
  - **5.6** minutes to file a a Sales and Use tax return
  - **2.5** minutes to file a Withholding return
- Debt Administration portal was launched in November 2023 to support the administration of Setoffs and Non-tax Debt

# Modernization – Setoffs

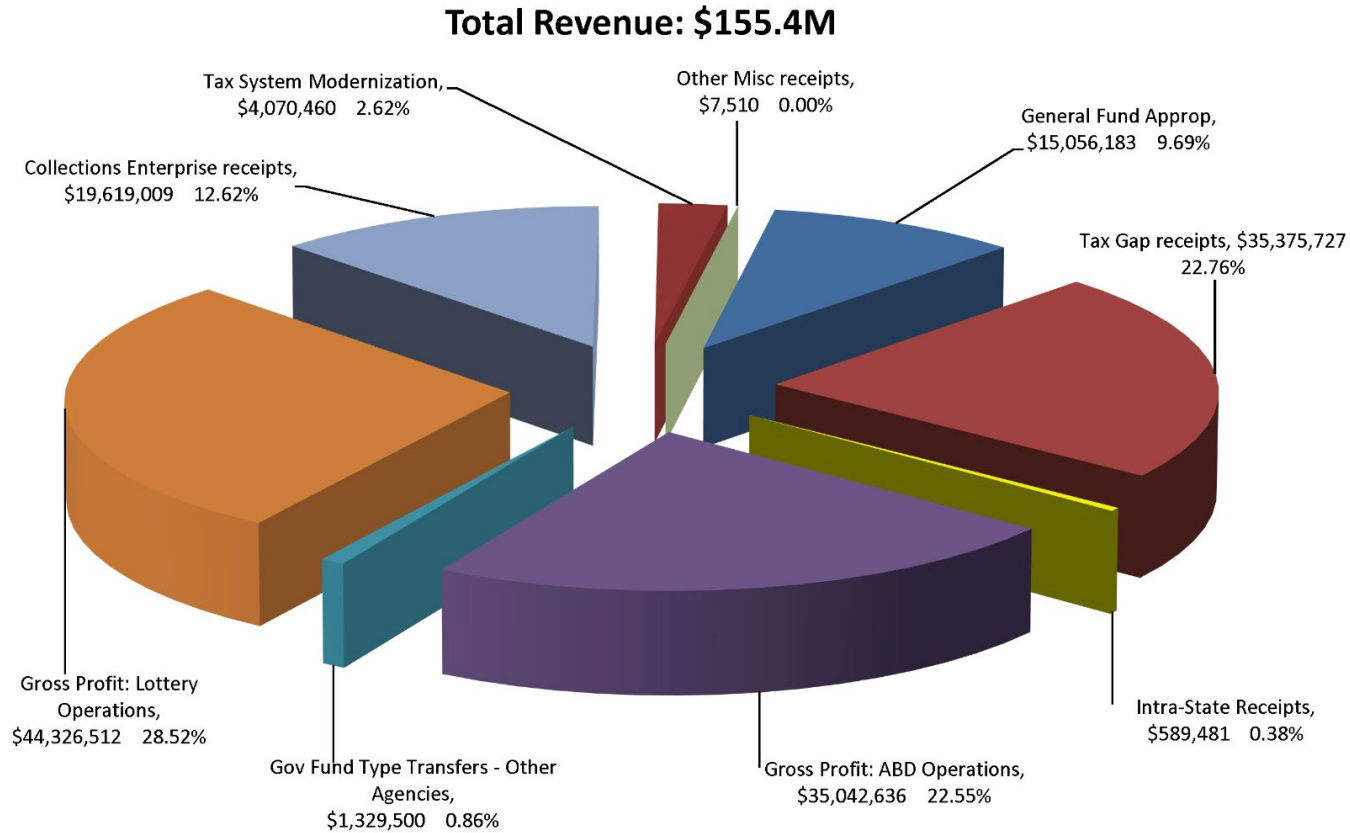
- HF2565, passed in 2020, transitioned the Setoff program from DAS to IDR
- Allows public entities to collect debt by partnering with IDR
- IDR intercepts payments and applies them to qualifying debt
  - Iowa Code 421.65 allows the setoff of casino and sports wagering winnings, lottery prizes, public agency overpayments, and state tax refunds
  - MOUs: public entity must have provided debtor an opportunity to protest/challenge the amount & existence of the debt
- Total number of approved program participants currently: 197
- Total dollars placed into setoff program to date: \$2,629,990,852.03
- Total dollars collected through the program (11/13/23 - 1/17/24): \$911,864.42

# Alignment Program Timeline

Phase	Scope	Dates
<b>Pre-Integration</b>	<p>Review the Bill and identify requirements that must be met by July 1, 2023</p> <p>Determine requirements related to the work streams prescribed by DOM and IDR leadership</p>	Complete
<b>Integration</b>	<p>Identify additional requirements related to the work streams in Pre-integration</p> <p>Develop integration roadmap based on strategic priorities by evaluating the business processes and supporting technology</p> <p>Complete activities on the integration roadmap while aligning the workforce in the process</p> <p>Report on benefits realization</p>	Dec 2024
<b>Post-Integration</b>	<p>Monitor post-integration activities and make adjustments as needed</p> <p>Continue reporting on benefits realization</p>	Apr 2025

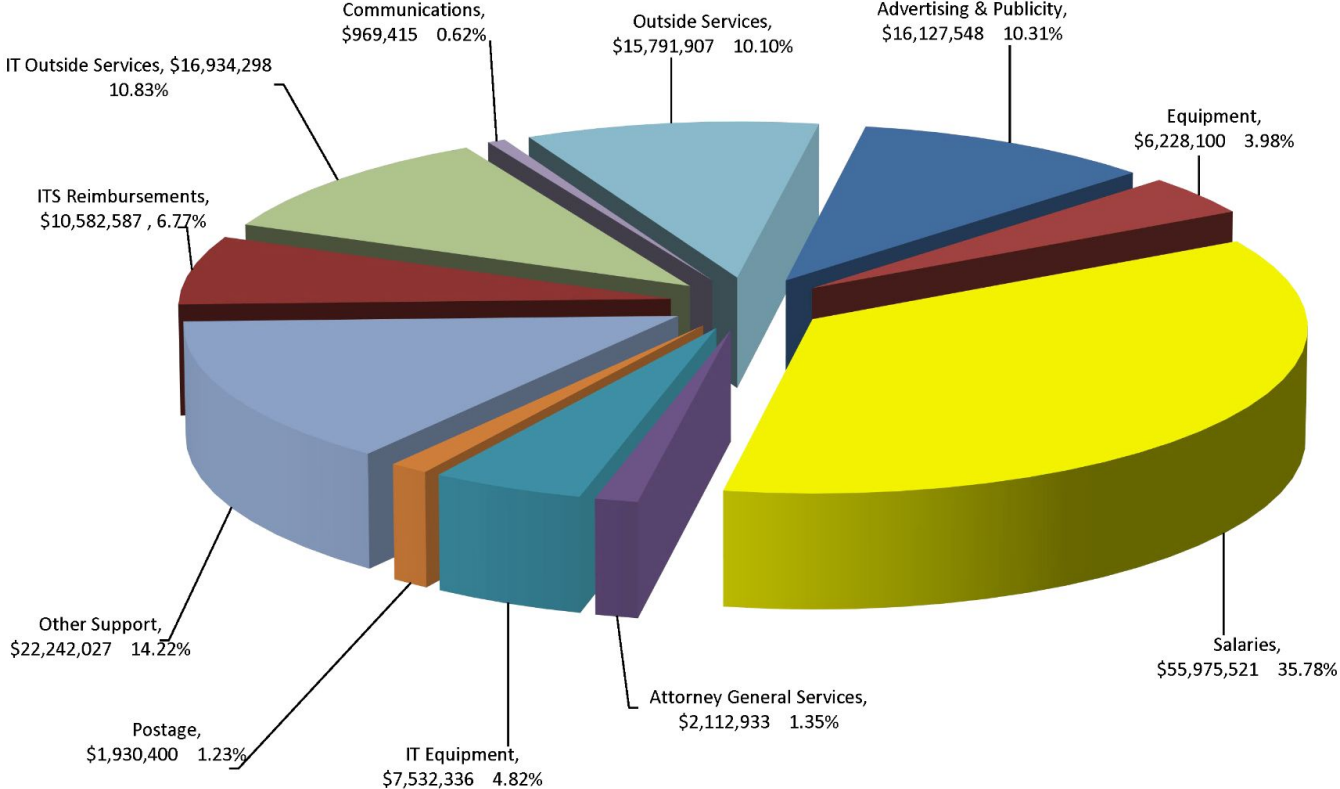


# FY 2025 Revenue Sources



# FY 2025 Expenses

Total Expenses: \$155.4M



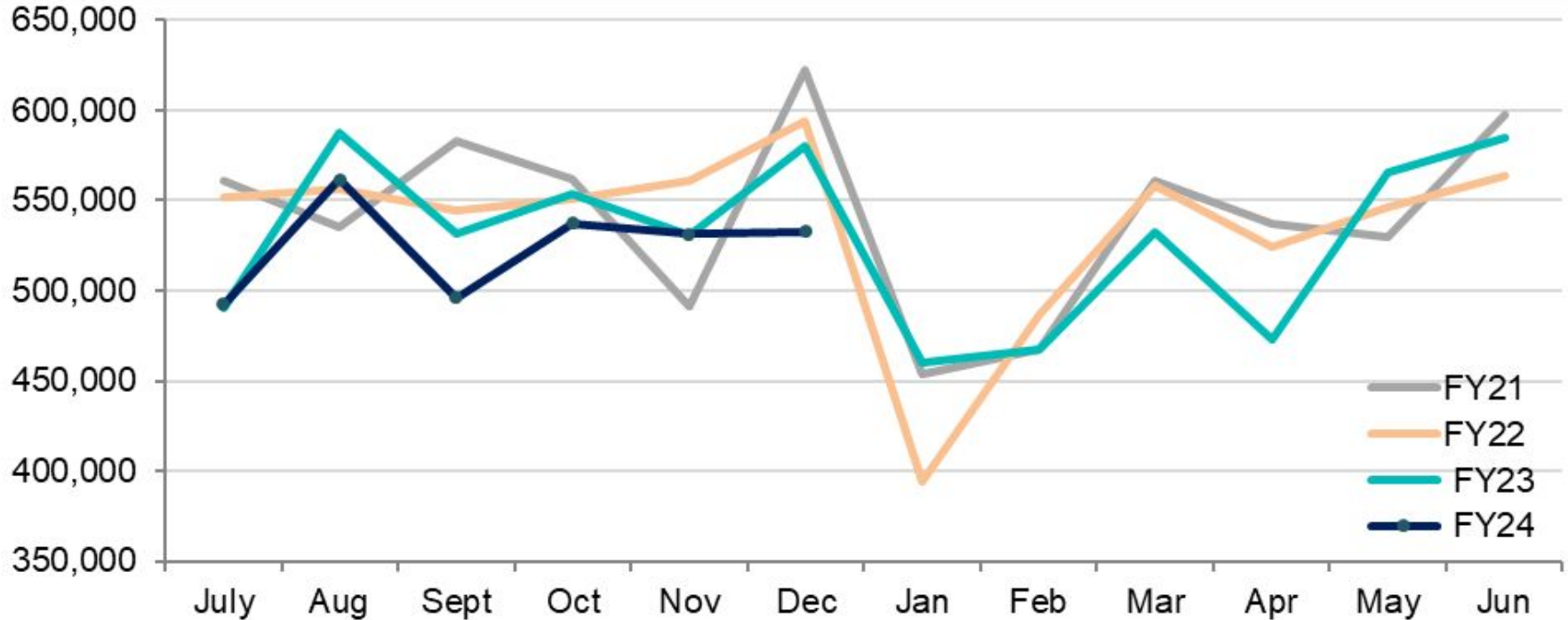
# Alcohol Sales

## Fiscal Year Comparison (Year-to-Date\*)

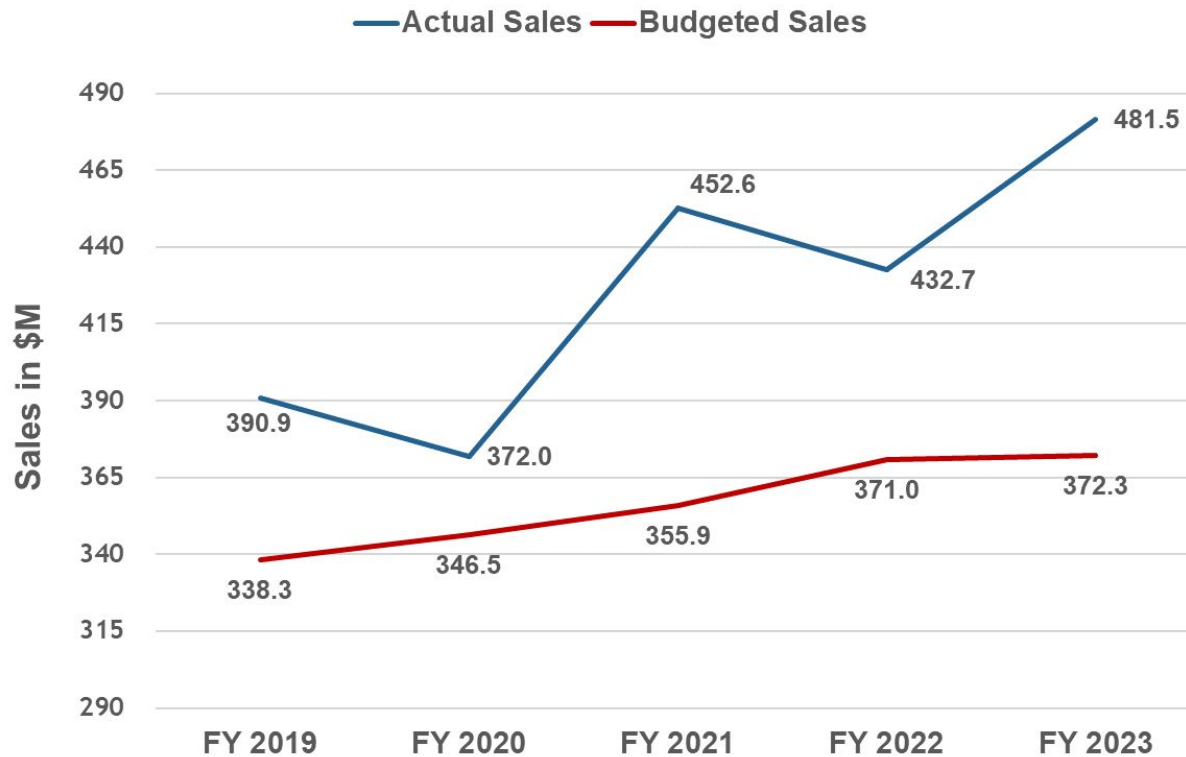
Category	FY 2024	FY 2023	% Change	Amt Change
<b>Liquor Sales</b>	\$218,325,944	\$223,668,912	-2.39%	(\$5,342,968)
<b>Split Case Fee</b>	\$1,315,449	\$1,105,660	18.97%	\$209,789
<b>Bottle Dep and Sur</b>	\$2,613,168	\$2,551,161	2.43%	\$62,007
<b>Total Revenue</b>	<b>\$222,254,560</b>	<b>\$227,325,734</b>	<b>-2.23%</b>	<b>(\$5,071,174)</b>
<b>Bailment Fee</b>	\$1,494,710	\$1,511,732	-1.13%	-\$17,021

\*Data as of December, 2023

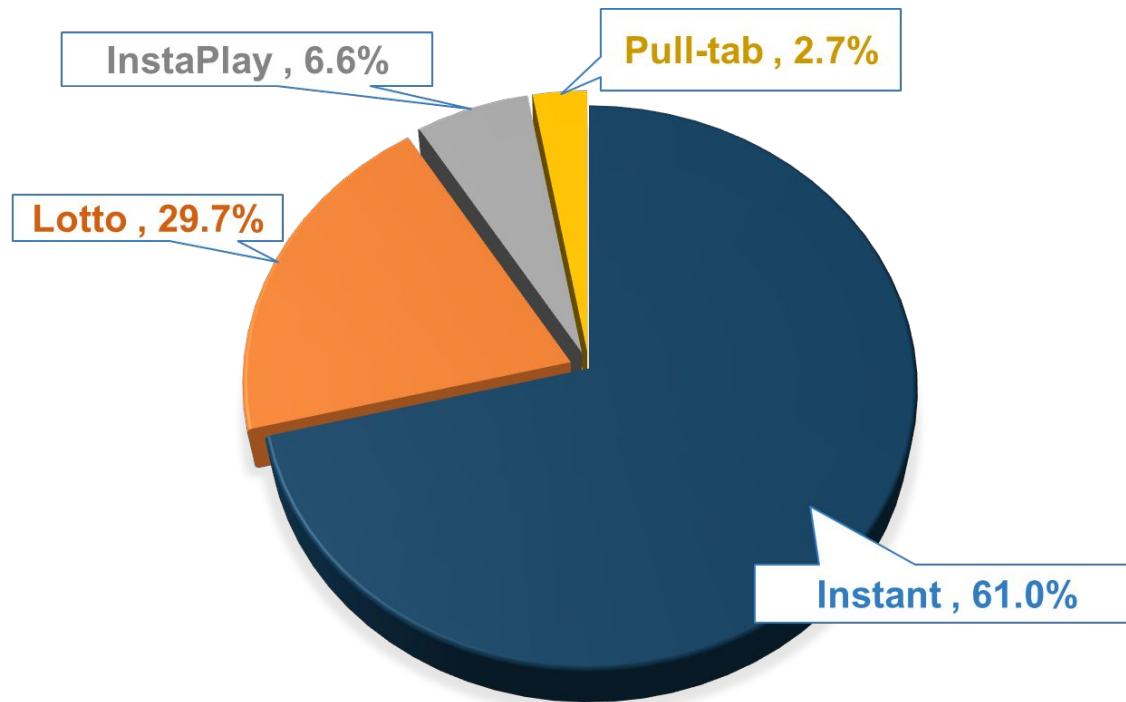
# Alcohol Gallons Sold by Month



# Lottery Sales Fiscal Year Comparison



# FY23 Percentage of Lottery Sales by Product Category



# IDR Call Center Stats

Year: 2023												
Week Start Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Total Calls Offered	26,317	16,895	18,562	16,268	15,576	12,473	13,236	12,957	11,399	7,974	11,088	18,794
Average Wait Time	20:31	4:27	2:51	2:24	1:10	1:32	2:25	2:45	3:38	2:05	4:53	6:07
Abandoned %	38%	11%	8%	7%	4%	4%	7%	8%	11%	5%	12%	15%
Average Call Time	7:17	6:22	5:34	5:44	5:10	5:09	4:58	5:30	5:58	5:58	5:10	5:46

Year: 2022												
Week Start Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Total Calls Offered	38,396	35,416	32,011	38,070	21,262	16,875	21,680	18,905	12,751	16,102	12,600	12,621
Average Wait Time	25:30	23:03	14:42	30:54	7:17	6:32	16:48	10:52	5:26	10:33	5:11	3:26
Abandoned %	49%	44%	31%	53%	36%	17%	34%	24%	13%	23%	12%	10%
Average Call Time	7:10	7:08	7:05	7:56	7:01	7:06	6:59	7:04	6:17	6:35	7:20	7:26

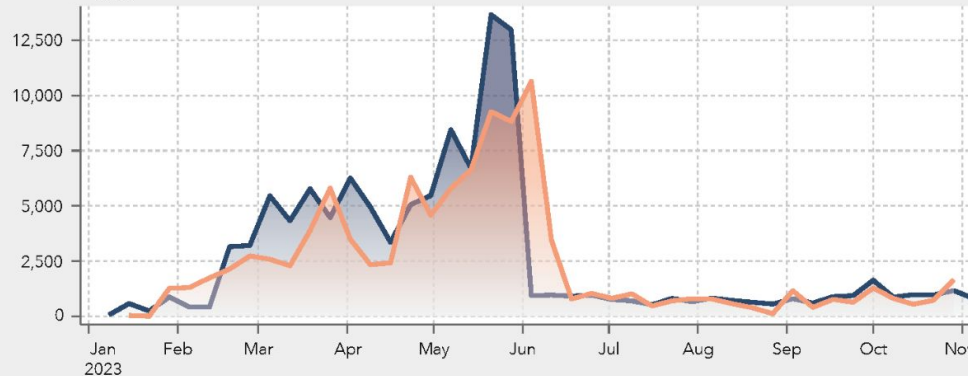
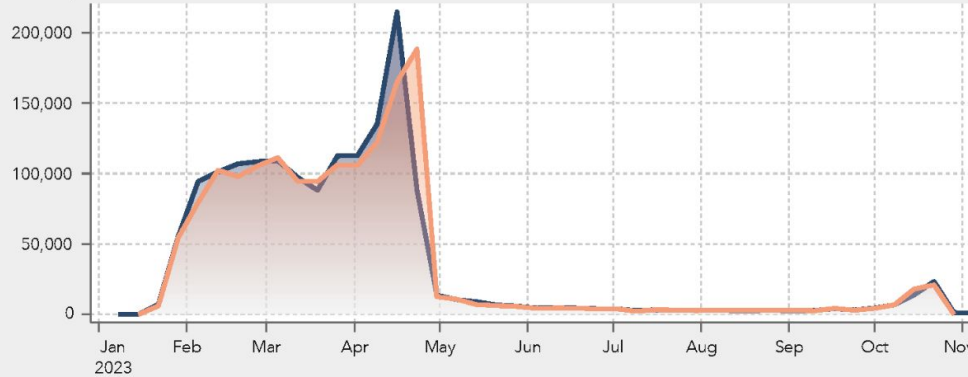
  

Year: 2021												
Week Start Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Total Calls Offered	18,551	20,021	25,955	20,496	14,458	16,478	15,685	13,120	12,948	12,928	11,950	13,635
Average Wait Time	0:56	0:47	0:46	0:57	1:20	1:56	2:15	0:58	1:52	1:36	1:05	3:13
Abandoned %	3%	2%	2%	3%	4%	6%	7%	3%	6%	5%	3%	9%
Average Call Time	4:33	3:50	4:14	4:19	4:14	4:34	5:01	4:49	5:04	5:13	5:22	6:28

# Tax Processing and Refund Data

Individual Income Tax Return Processing as of 10/31/2023

Weekly Electronic Return Volume - Returns Processed



Week Ending

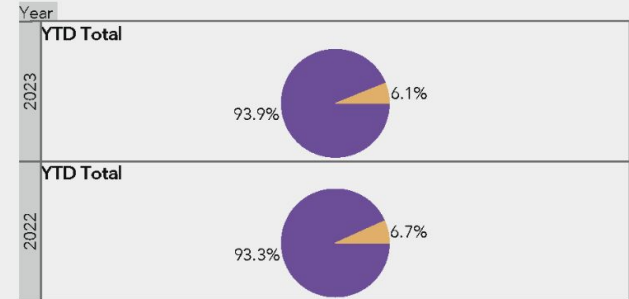
Average Days to Process Refunds:

27.4

Year-to-Date Processing Totals - Returns Processed

Year ▲	2022		2023	
Type ▲	YTD Total	Percent Change*	YTD Total	Percent Change*
MeF	1,584,689	-0.11%	1,583,350	-0.08%
Paper Keyed	73,268	-10.65%	66,221	-9.62%
Paper with 2D Barcode	41,361	-22.26%	36,849	-10.91%
<b>Total</b>	<b>1,699,318</b>	<b>-1.29%</b>	<b>1,686,420</b>	<b>-0.76%</b>

\* Change in Volume from Previous Processing Year



Processing Year

■ 2022 ■ 2023

Type

■ MeF ■ Paper



# Agencies Utilizing GovConnectIowa

- Iowa Department of Revenue
- Iowa Alcohol Division
- Iowa Lottery
- Iowa Department of Inspections, Appeals, and Licensing
- Iowa Economic Development Authority
- Iowa Finance Authority
- Iowa Utilities Board





**Department of Revenue**

**Thank you!**