

# Table of Contents

## Minnesota Department of Revenue

<i>Agency Profile</i> .....	1
Agency Expenditure Overview .....	3
Agency Financing by Fund .....	4
Agency Change Summary .....	6
<b><u>Program</u></b> .....	7
<b>Tax System Management</b> .....	7
<i>Program Narrative</i> .....	7
Program Expenditure Overview .....	9
Program Financing by Fund .....	10
<b><u>Activity</u></b> .....	12
<b>Payment and Return Processing</b> .....	12
<i>Activity Narrative</i> .....	12
Activity Expenditure Overview .....	14
Activity Financing by Fund .....	15
<b>Administration of State Taxes</b> .....	16
<i>Activity Narrative</i> .....	16
Activity Expenditure Overview .....	18
Activity Financing by Fund .....	19
<b>Appeals, Legal Services and Tax Research</b> .....	21
<i>Activity Narrative</i> .....	21
Activity Expenditure Overview .....	23
Activity Financing by Fund .....	24
<b>Agency-wide Operations and Oversight</b> .....	25
<i>Activity Narrative</i> .....	25
Activity Expenditure Overview .....	28
Activity Financing by Fund .....	29
<b><u>Program</u></b> .....	30
<b>Debt Collection Management</b> .....	30
<i>Program Narrative</i> .....	30
Program Expenditure Overview .....	32
Program Financing by Fund .....	33

<https://www.revenue.state.mn.us/>

**AT A GLANCE**

In 2021, the Department of Revenue:

- Employed 1,408 people across the state
- Processed 6.3 million tax returns
- Collected \$30 billion in state taxes annually to fund state and local programs
- Partnered with 374,000 businesses to administer sales tax
- Assisted more than 3,400 local governments with tax administration
- Responded to over 480,000 phone calls and helped another 115,000 customers by email or in-person
- Served 6.9 million visitors through our website

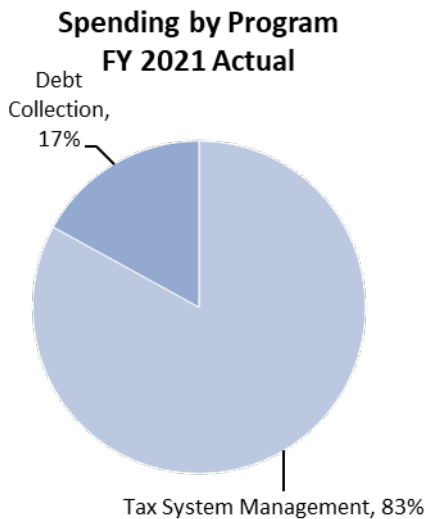
**PURPOSE**

The Minnesota Department of Revenue’s mission is “working together to fund the future for all of Minnesota.” Our vision is that everyone reports, pays, and receives the right amount: no more, no less.

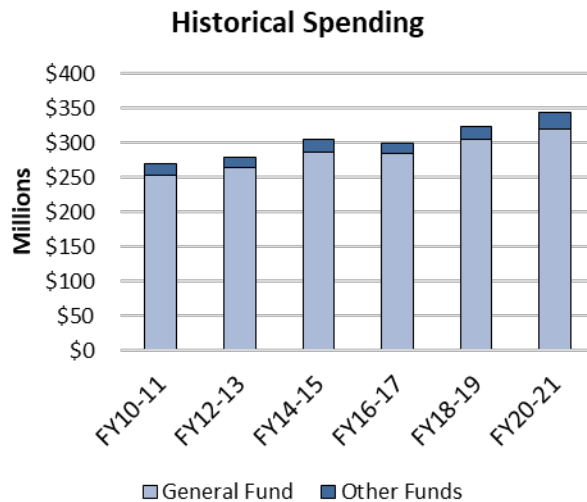
We work with individuals, businesses, local governments, federal and state agencies, tax professionals, and others to administer over 40 state and local taxes. We collect approximately \$30 billion in state taxes annually to fund state and local programs.

We also collect debt owed to state agencies and local governments. We oversee the uniform application of property tax laws by local governments, administer state property tax refund and relief programs, and make state aid payments to counties, cities, towns, and special taxing districts through 31 state programs.

**BUDGET**



Source: Budget Planning & Analysis System (BPAS)  
Source: Consolidated Fund Statement



Source: Budget Planning & Analysis System (BPAS)  
Source: Consolidated Fund Statement

The revenue we collect is allocated through the budget process to fund a wide range of state and local programs, including education, health care, roads and bridges, transit, parks and trails, prisons, public safety, job training, economic development, and local government services, among others.

The department's budget is organized into two major programs: Tax System Management and Debt Collection Management.

Tax System Management includes these activities:

- Tax Payment and Return Processing
- Administration of State Taxes
- Appeals, Legal Services, and Tax Research
- Agency-wide Operations Support and Oversight

Debt Collection Management collects delinquent tax debts and debts owed to other state agencies. Key activities include:

- Helping customers understand and resolve their state tax and other government agency debts
- Using the collection process when customers do not voluntarily work to resolve their debts

## STRATEGIES

Minnesota's future relies on pursuing excellence in prioritizing: healthy Minnesotans and COVID-19 protection, economic recovery and working Minnesotans, children and families, equity and inclusion, fiscal accountability, measurable results, and the environment. The Department of Revenue does this by providing services to a diverse set of customers, including individuals, businesses, and local governments. We strive to meet our customers' needs through efficient and effective tax administration, providing quality customer service to Minnesota taxpayers, and a commitment to continuous improvement.

To achieve these priorities, we have identified the following Department of Revenue strategies:

- Provide customers with the information, education, and services they need to efficiently navigate Minnesota's tax opportunities and obligations.
- Engage in meaningful interaction with our customers to provide superior service, especially to those who will be most impacted by our work.
- Commit to an inclusive culture for all employees by welcoming individual differences and similarities, respecting others, treating people equitably, and forming meaningful connections.
- Ensure a productive, innovative, healthy, and safe work environment where all employees can thrive, whether in a traditional office location or virtually.
- Confirm that employees have the tools and resources necessary to process returns, payments, and refunds accurately and efficiently. Protect customer data and the security of our technology systems.
- Promote operational efficiencies and leverage technology to protect customer information and to serve customer and employee needs.
- Identify and address non-compliance through education and enforcement to ensure fair, efficient, and equitable support of the state's goals.

---

[Minnesota Statute 270C.03](#) establishes the Department of Revenue's legal authority.

# Revenue

# Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	161,051	157,833	158,835	189,625	175,376	174,360
2000 - Restrict Misc Special Revenue	7,836	7,579	8,183	8,276	8,275	8,268
2360 - Health Care Access	1,760	1,757	1,756	1,764	1,760	1,760
2710 - Highway Users Tax Distribution	2,194	2,196	2,103	2,287	2,195	2,195
2800 - Environmental	305	305	296	314	305	305
<b>Total</b>	<b>173,146</b>	<b>169,670</b>	<b>171,173</b>	<b>202,266</b>	<b>187,911</b>	<b>186,888</b>
Biennial Change				30,623		1,360
Biennial % Change				9		0

## **Expenditures by Program**

Tax System Management	143,083	140,119	141,826	167,831	155,721	154,698
Debt Collection Management	30,063	29,551	29,346	34,435	32,190	32,190
<b>Total</b>	<b>173,146</b>	<b>169,670</b>	<b>171,173</b>	<b>202,266</b>	<b>187,911</b>	<b>186,888</b>

## **Expenditures by Category**

Compensation	129,962	129,869	127,117	154,731	144,315	142,931
Operating Expenses	42,524	38,914	39,924	46,756	42,821	43,182
Grants, Aids and Subsidies	597	667	698	752	750	750
Capital Outlay-Real Property	(60)	(41)	272			
Other Financial Transaction	123	260	3,163	27	25	25
<b>Total</b>	<b>173,146</b>	<b>169,670</b>	<b>171,173</b>	<b>202,266</b>	<b>187,911</b>	<b>186,888</b>

## **Full-Time Equivalent**

	<b>1,478.75</b>	<b>1,400.88</b>	<b>1,315.12</b>	<b>1,395.86</b>	<b>1,383.75</b>	<b>1,337.20</b>
--	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

# Revenue

# Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		3,115		15,268		
Direct Appropriation	163,409	166,606	173,462	173,632	174,651	173,635
Open Appropriation	405	473	804	1,000	1,000	1,000
Transfers In	4,147	13,621	5,000			
Transfers Out	4,203	17,016	5,162	275	275	275
Cancellations	3	8,966				
Balance Forward Out	2,704		15,269			
<b>Expenditures</b>	<b>161,051</b>	<b>157,833</b>	<b>158,835</b>	<b>189,625</b>	<b>175,376</b>	<b>174,360</b>
Biennial Change in Expenditures				29,576		1,276
Biennial % Change in Expenditures				9		0
Full-Time Equivalents	1,376.93	1,297.78	1,214.75	1,295.91	1,279.15	1,234.88

## 2000 - Restrict Misc Special Revenue

Balance Forward In	8,717	7,868	6,928	4,699	5,277	4,626
Receipts	6,987	6,638	5,954	8,854	7,624	7,599
Balance Forward Out	7,868	6,928	4,699	5,277	4,626	3,957
<b>Expenditures</b>	<b>7,836</b>	<b>7,579</b>	<b>8,183</b>	<b>8,276</b>	<b>8,275</b>	<b>8,268</b>
Biennial Change in Expenditures				1,044		84
Biennial % Change in Expenditures				7		1
Full-Time Equivalents	69.44	73.04	71.57	66.83	70.60	69.32

## 2360 - Health Care Access

Balance Forward In		0		4		
Direct Appropriation	1,760	1,760	1,760	1,760	1,760	1,760
Cancellations		3				
Balance Forward Out	0		4			
<b>Expenditures</b>	<b>1,760</b>	<b>1,757</b>	<b>1,756</b>	<b>1,764</b>	<b>1,760</b>	<b>1,760</b>
Biennial Change in Expenditures				3		0
Biennial % Change in Expenditures				0		(0)
Full-Time Equivalents	15.13	13.19	12.78	13.36	14.00	14.00

## 2710 - Highway Users Tax Distribution

Balance Forward In		1		92		
--------------------	--	---	--	----	--	--

# Revenue

# Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
Direct Appropriation	2,195	2,195	2,195	2,195	2,195	2,195
Cancellations		0				
Balance Forward Out	1		92			
<b>Expenditures</b>	<b>2,194</b>	<b>2,196</b>	<b>2,103</b>	<b>2,287</b>	<b>2,195</b>	<b>2,195</b>
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				0		0
Full-Time Equivalents	15.05	14.49	13.70	17.41	18.00	17.00

## 2800 - Environmental

Balance Forward In		0		9		
Direct Appropriation	305	305	305	305	305	305
Cancellations		0				
Balance Forward Out	0		9			
<b>Expenditures</b>	<b>305</b>	<b>305</b>	<b>296</b>	<b>314</b>	<b>305</b>	<b>305</b>
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				(0)		0
Full-Time Equivalents	2.20	2.38	2.32	2.35	2.00	2.00

# Revenue

# Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
FY2023 Appropriations	173,632	173,632	173,632	347,264
<b>Base Adjustments</b>				
Approved Transfer Between Appropriation	0	0	0	0
Biennial Appropriations		1,019	3	1,022
<b>Forecast Base</b>	<b>173,632</b>	<b>174,651</b>	<b>173,635</b>	<b>348,286</b>
<b>Fund: 2360 - Health Care Access</b>				
FY2023 Appropriations	1,760	1,760	1,760	3,520
<b>Forecast Base</b>	<b>1,760</b>	<b>1,760</b>	<b>1,760</b>	<b>3,520</b>
<b>Fund: 2710 - Highway Users Tax Distribution</b>				
FY2023 Appropriations	2,195	2,195	2,195	4,390
<b>Forecast Base</b>	<b>2,195</b>	<b>2,195</b>	<b>2,195</b>	<b>4,390</b>
<b>Fund: 2800 - Environmental</b>				
FY2023 Appropriations	305	305	305	610
<b>Forecast Base</b>	<b>305</b>	<b>305</b>	<b>305</b>	<b>610</b>
<b>Open</b>				
<b>Fund: 1000 - General</b>				
FY2023 Appropriations	1,000	1,000	1,000	2,000
<b>Forecast Base</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>2,000</b>
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Planned Spending	8,276	8,275	8,268	16,543
<b>Forecast Base</b>	<b>8,276</b>	<b>8,275</b>	<b>8,268</b>	<b>16,543</b>
<b>Revenue Change Summary</b>				
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
<b>Forecast Revenues</b>	<b>8,854</b>	<b>7,624</b>	<b>7,599</b>	<b>15,223</b>

**Program: Tax System Management**

<https://www.revenue.state.mn.us/>

**AT A GLANCE**

In 2021, the Minnesota Department of Revenue:

- Issued 3.5 million tax refunds
- Awarded 35 Volunteer Income Tax Assistance (VITA) grants to organizations that provide tax assistance to minority and low-income communities.
- Provided over 190 free classes for business taxpayers and tax preparers
- Attended six events for military service members and families to promote their eligibility for tax benefits

**PURPOSE AND CONTEXT**

The Department of Revenue's Tax System Management program provides the technology and professional resources needed to administer tax laws. The program provides tax information and education, filing and paying services, property tax and state aid administration, and tax enforcement.

These Tax System Management activities help ensure that individuals, businesses, and policymakers have:

- Information and services they need to accurately, voluntarily, and conveniently file and pay their taxes, receive their refund, and claim credits they are eligible to receive
- Confidence that everyone reports, pays, and receives the right amount: no more or no less
- Accurate, impartial, and complete information to make informed decisions

**SERVICES PROVIDED**

The Tax Management System is responsible for collecting approximately \$30 billion each year to fund essential services to Minnesotans including: local government and school district aid; services for children, families, and seniors; early childhood, E-12, and higher education; health and human services; transportation; public safety; environmental, energy, and agricultural programs; and other important services.

Minnesota's tax system is fueled by the majority who voluntarily file and pay on time, and who rely on the department for: education and outreach; a robust and reliable filing system; and confidence in the system. When taxpayers do not meet their obligations under the law, we work to bring them into compliance through collection, education, and enforcement efforts.

We provide a variety of services in the Tax System Management program. Specific activities are listed here and are described in more detail in their Budget Activity Narratives.

- Payment and Return Processing
- Administration of State Taxes
- Appeals, Legal Services, and Tax Research
- Agency-wide Operations Support and Oversight



## RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Incoming customer requests (includes email, phone, letter, web and walk ins)	753,881	596,713	Previous is FY19, Current is FY21
Quality	Customers who file their returns electronically	88%	90.1%	Previous is CY19, Current is CY21.

---

[Minnesota Statute 270C.03](#) establishes the Department of Revenue's legal authority.

# Tax System Management

# Program Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	131,888	129,092	130,403	155,990	143,986	142,970
2000 - Restrict Misc Special Revenue	6,936	6,769	7,268	7,476	7,475	7,468
2360 - Health Care Access	1,760	1,757	1,756	1,764	1,760	1,760
2710 - Highway Users Tax Distribution	2,194	2,196	2,103	2,287	2,195	2,195
2800 - Environmental	305	305	296	314	305	305
<b>Total</b>	<b>143,083</b>	<b>140,119</b>	<b>141,826</b>	<b>167,831</b>	<b>155,721</b>	<b>154,698</b>
Biennial Change				26,456		762
Biennial % Change				9		0

## **Expenditures by Activity**

Payment and Return Processing	39,277	37,250	37,488	42,822	38,097	38,097
Administration of State Taxes	72,727	71,947	73,004	81,766	77,976	77,971
Appeals, Legal Services and Tax Research	9,460	10,269	9,859	12,381	11,005	11,006
Agency-wide Operations and Oversight	21,619	20,653	21,476	30,862	28,643	27,624
<b>Total</b>	<b>143,083</b>	<b>140,119</b>	<b>141,826</b>	<b>167,831</b>	<b>155,721</b>	<b>154,698</b>

## **Expenditures by Category**

Compensation	102,914	103,961	102,315	125,004	116,269	114,886
Operating Expenses	39,509	35,373	36,006	42,052	38,681	39,041
Grants, Aids and Subsidies	597	667	698	752	750	750
Capital Outlay-Real Property	(50)	(41)	276			
Other Financial Transaction	113	159	2,531	23	21	21
<b>Total</b>	<b>143,083</b>	<b>140,119</b>	<b>141,826</b>	<b>167,831</b>	<b>155,721</b>	<b>154,698</b>

## **Full-Time Equivalent**

	<b>1,148.73</b>	<b>1,100.95</b>	<b>1,040.80</b>	<b>1,127.58</b>	<b>1,114.49</b>	<b>1,074.62</b>
--	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

# Tax System Management

# Program Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		3,089		13,023		
Direct Appropriation	134,623	137,290	143,589	143,242	144,261	143,245
Transfers In	4,147	13,621	5,000			
Transfers Out	4,192	16,033	5,162	275	275	275
Cancellations	3	8,875				
Balance Forward Out	2,687		13,024			
<b>Expenditures</b>	<b>131,888</b>	<b>129,092</b>	<b>130,403</b>	<b>155,990</b>	<b>143,986</b>	<b>142,970</b>
Biennial Change in Expenditures				25,412		563
Biennial % Change in Expenditures				10		0
Full-Time Equivalents	1,054.97	1,007.00	949.55	1,034.85	1,017.57	979.79

## 2000 - Restrict Misc Special Revenue

Balance Forward In	7,379	6,712	6,110	4,069	4,647	3,996
Receipts	6,268	6,167	5,227	8,054	6,824	6,799
Balance Forward Out	6,712	6,110	4,069	4,647	3,996	3,327
<b>Expenditures</b>	<b>6,936</b>	<b>6,769</b>	<b>7,268</b>	<b>7,476</b>	<b>7,475</b>	<b>7,468</b>
Biennial Change in Expenditures				1,040		199
Biennial % Change in Expenditures				8		1
Full-Time Equivalents	61.38	63.89	62.45	59.61	62.92	61.83

## 2360 - Health Care Access

Balance Forward In		0		4		
Direct Appropriation	1,760	1,760	1,760	1,760	1,760	1,760
Cancellations		3				
Balance Forward Out	0		4			
<b>Expenditures</b>	<b>1,760</b>	<b>1,757</b>	<b>1,756</b>	<b>1,764</b>	<b>1,760</b>	<b>1,760</b>
Biennial Change in Expenditures				3		0
Biennial % Change in Expenditures				0		(0)
Full-Time Equivalents	15.13	13.19	12.78	13.36	14.00	14.00

## 2710 - Highway Users Tax Distribution

Balance Forward In		1		92		
Direct Appropriation	2,195	2,195	2,195	2,195	2,195	2,195

# Tax System Management

# Program Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
Cancellations		0				
Balance Forward Out	1		92			
<b>Expenditures</b>	<b>2,194</b>	<b>2,196</b>	<b>2,103</b>	<b>2,287</b>	<b>2,195</b>	<b>2,195</b>
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				0		0
Full-Time Equivalents	15.05	14.49	13.70	17.41	18.00	17.00

## 2800 - Environmental

Balance Forward In		0		9		
Direct Appropriation	305	305	305	305	305	305
Cancellations		0				
Balance Forward Out	0		9			
<b>Expenditures</b>	<b>305</b>	<b>305</b>	<b>296</b>	<b>314</b>	<b>305</b>	<b>305</b>
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				(0)		0
Full-Time Equivalents	2.20	2.38	2.32	2.35	2.00	2.00

**Program: Tax System Management****Activity: Payment and Return Processing**<https://www.revenue.state.mn.us/>

### AT A GLANCE

In 2021, Payment and Return Processing:

- Processed 3.1 million individual income tax returns
- Sent over 1.9 million individual income tax refunds to Minnesotans
- Processed \$30 billion dollars in tax payments
- Opened and sorted 2.6 million pieces of mail
- Served businesses with 64,611 calls to Business Registration
- Sent over 3.4 million pieces of mail to Minnesotans to help them meet their tax obligations
- Audited 31 business tax type returns during the processing cycle

### PURPOSE AND CONTEXT

Payment and Return Processing serves individual and business taxpayers and other state agencies. These services include reviewing and processing paper and electronic returns, refunds, and payments submitted to the Department of Revenue. This activity also includes technology development, implementation, and support for agency-wide technology needs.

### SERVICES PROVIDED

Key Payment and Return Processing activities include:

- Keeping pace with changing technology and fraud schemes
- Providing safe, secure, and convenient ways for filing and paying
- Accurately reviewing and processing returns, payments, and refunds
- Checking returns to prevent fraudulent returns and refunds
- Processing payments and deposits in a timely manner
- Providing technology solutions that facilitate and support tax administration, security of taxpayer data, and continuous business improvements in taxpayer services

We use strategic investments in technology to meet the department's mission, vision, and strategies. Investments in the Integrated Tax System and security are key priorities.

The payment and return processing activities performed by the Tax Operations Division serve all department employees and external customers by providing technology solutions to assist tax administration, provide for security of taxpayer data, and support continuous improvements in our taxpayer services.

Information technology (IT) functions are provided under a service agreement with Minnesota IT Services (MNIT). MNIT provides the department with hardware, software, and IT professionals to implement, run, and maintain the hardware and software needed to administer the tax code.

MNIT serves all Department of Revenue employees and external customers of the agency by providing technology solutions that assist tax administration, provide for security of taxpayer data, and support continuous business improvements in taxpayer services.

## RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Total returns processed (all tax types)	6.36 million	6.6 million	Previous is CY19, Current is CY21.
Quantity	Quality control reviews of processing and payments work by employees	1,643	1,815	Previous is CY19, Current is CY21.
Quality	C-Corporation, Partnership, Fiduciary, and S Corporation electronic returns posted within 30 days	97%	94%	Previous is CY19, Current is CY21.
Quality	Printing, folding, and inserting services completed within 1 day of receipt	100%	100%	Previous is CY19, Current is CY21.
Quality	Down time of the Integrated Tax Management System services to external customers (e-Services)	<1%	<1%	Previous is CY19, Current is CY21.

---

Minnesota Statute 270C.03 (<http://www.revisor.mn.gov/statutes/?id=270C.03>) establishes the Department of Revenue's legal authority.

## Payment and Return Processing

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	38,638	36,611	37,488	42,822	38,097	38,097
2360 - Health Care Access	264	264				
2710 - Highway Users Tax Distribution	329	329				
2800 - Environmental	46	46				
<b>Total</b>	<b>39,277</b>	<b>37,250</b>	<b>37,488</b>	<b>42,822</b>	<b>38,097</b>	<b>38,097</b>
Biennial Change				3,783		(4,116)
Biennial % Change				5		(5)
<b><u>Expenditures by Category</u></b>						
Compensation	14,611	15,232	15,275	19,103	16,757	16,399
Operating Expenses	24,594	22,017	22,054	23,719	21,340	21,698
Capital Outlay-Real Property	27		158			
Other Financial Transaction	46	1	1			
<b>Total</b>	<b>39,277</b>	<b>37,250</b>	<b>37,488</b>	<b>42,822</b>	<b>38,097</b>	<b>38,097</b>
<b><u>Full-Time Equivalents</u></b>	<b>198.90</b>	<b>195.33</b>	<b>190.35</b>	<b>172.00</b>	<b>161.00</b>	<b>154.00</b>

## Payment and Return Processing

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		1,210		3,012		
Direct Appropriation	40,909	41,664	40,500	39,810	38,097	38,097
Transfers In		300				
Transfers Out	1,200	6,551				
Cancellations		12				
Balance Forward Out	1,071		3,012			
<b>Expenditures</b>	<b>38,638</b>	<b>36,611</b>	<b>37,488</b>	<b>42,822</b>	<b>38,097</b>	<b>38,097</b>
Biennial Change in Expenditures				5,061		(4,116)
Biennial % Change in Expenditures				7		(5)
Full-Time Equivalents	198.90	195.33	190.35	172.00	161.00	154.00

### 2360 - Health Care Access

Direct Appropriation	264	264				
<b>Expenditures</b>	<b>264</b>	<b>264</b>				
Biennial Change in Expenditures				(528)		0
Biennial % Change in Expenditures				(100)		

### 2710 - Highway Users Tax Distribution

Direct Appropriation	329	329				
<b>Expenditures</b>	<b>329</b>	<b>329</b>				
Biennial Change in Expenditures				(658)		0
Biennial % Change in Expenditures				(100)		

### 2800 - Environmental

Direct Appropriation	46	46				
<b>Expenditures</b>	<b>46</b>	<b>46</b>				
Biennial Change in Expenditures				(92)		0
Biennial % Change in Expenditures				(100)		



**Program: Tax System Management****Activity: Administration of State Taxes**<https://www.revenue.state.mn.us/>

### AT A GLANCE

In 2021, within the Department of Revenue tax administration divisions:

- Provided program and compliance oversight for the collection of \$30 billion in state taxes
- Special Taxes provided program and compliance oversight in the administration of more than 40 unique taxes and fees
- Criminal Investigations completed the investigation of 34 tax noncompliance cases leading to 48 criminal cases charged by prosecutors
- Sales and Use Tax handled 49,000 phone calls, 13,430 emails and 4,900 web messages
- Sales and Use Tax handled 184 Voluntary Disclosure Agreements recovering \$8.4 million
- Income Tax and Withholding handled 207,985 phone calls, 40,429 emails and 3,962 web messages from taxpayer requests
- Special Taxes completed 1,610 outreach trainings, stamp sales transactions, and county visits
- Sales and Use Tax conducted 23 virtual classes for customers

### PURPOSE AND CONTEXT

State tax administration provides information and services to our customers so they can understand their tax obligations, and the tax credits and benefits they are entitled to under law. It also includes enforcement efforts such as fraud prevention, audits, and investigations.

The Department of Revenue administers more than 40 state taxes including: individual income tax; sales and use tax; corporate franchise tax and other business income taxes; estate tax; motor fuels excise tax; alcoholic beverage taxes; cigarette tax and tobacco products tax; controlled substances tax; property tax, mortgage registry tax and deed transfer tax; lawful gambling taxes; insurance premium taxes; MinnesotaCare taxes; mining taxes; state property tax; air flight property tax; rural electric co-ops tax; and solid waste management tax.

State tax administration serves Minnesota individual and business taxpayers, tax professionals and preparers, local tax administrators, legislators and staff, nonprofit groups, governor and staff, and members of the news media – among others.

We also oversee local property tax administration and state aids, serving taxpayers, local administrators, and state policymakers. These activities promote equity and uniformity throughout the state's complex property tax system.

### SERVICES PROVIDED

Key tax administration activities include:

- Providing customers information, training, and services to understand how to receive refunds, tax credits, and benefits they qualify for, and to voluntarily comply with tax laws
- Keeping pace with changing technology and laws
- Responding to customer inquiries in the manner the taxpayer prefers: walk-in, call-in, and click-in
- Protecting customer data
- Effectively using state resources to identify and audit noncompliant individual and business taxpayers

- Providing education, guidance, and assistance to county assessors, auditors, and treasurers
- Overseeing local property tax administration to promote compliance and uniformity
- Administering a range of local aid payments
- Collecting, analyzing, and providing data to stakeholders
- Supporting the Minnesota State Board of Assessors

**RESULTS**

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Tax administration incoming customer interactions (phone, mail, web, email, and walk-in)	753,881	596,713	Previous is FY19, Current is FY21
Quantity	eCRVs processed (Electronic Certificate of Real Estate Value)	145,298	159,419	Previous is CY20, Current is CY21
Quantity	Investigations completed	41	34	Previous is CY19, current is CY21
Results	Criminal cases charged out by prosecutors	34	48	Previous is CY19, current is CY21
Quality	Tax types that can be filed electronically	86%	86%	Previous is CY19, Current is CY21

---

Minnesota Statute 270C.03 (<http://www.revisor.mn.gov/statutes/?id=270C.03>) establishes the Department of Revenue’s legal authority.

# Administration of State Taxes

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	62,327	61,561	61,582	69,936	66,252	66,254
2000 - Restrict Misc Special Revenue	6,780	6,767	7,267	7,465	7,464	7,457
2360 - Health Care Access	1,496	1,493	1,756	1,764	1,760	1,760
2710 - Highway Users Tax Distribution	1,865	1,867	2,103	2,287	2,195	2,195
2800 - Environmental	259	259	296	314	305	305
<b>Total</b>	<b>72,727</b>	<b>71,947</b>	<b>73,004</b>	<b>81,766</b>	<b>77,976</b>	<b>77,971</b>
Biennial Change				10,096		1,177
Biennial % Change				7		1

## **Expenditures by Category**

Compensation	67,217	68,127	67,973	76,594	73,425	73,420
Operating Expenses	4,929	3,039	4,333	4,415	3,796	3,796
Grants, Aids and Subsidies	597	667	698	752	750	750
Capital Outlay-Real Property	(52)	(41)	(2)			
Other Financial Transaction	35	154	2	5	5	5
<b>Total</b>	<b>72,727</b>	<b>71,947</b>	<b>73,004</b>	<b>81,766</b>	<b>77,976</b>	<b>77,971</b>

## **Full-Time Equivalents**

	<b>740.64</b>	<b>709.50</b>	<b>682.68</b>	<b>689.96</b>	<b>703.16</b>	<b>686.06</b>
--	---------------	---------------	---------------	---------------	---------------	---------------

# Administration of State Taxes

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		408		4,167		
Direct Appropriation	62,417	63,807	69,800	65,919	66,402	66,404
Transfers In	1,550	10,899				
Transfers Out	1,297	4,991	4,050	150	150	150
Cancellations	3	8,562				
Balance Forward Out	340		4,168			
<b>Expenditures</b>	<b>62,327</b>	<b>61,561</b>	<b>61,582</b>	<b>69,936</b>	<b>66,252</b>	<b>66,254</b>
Biennial Change in Expenditures				7,630		988
Biennial % Change in Expenditures				6		1
Full-Time Equivalents	646.88	615.55	591.43	597.23	606.24	591.23

## 2000 - Restrict Misc Special Revenue

Balance Forward In	6,924	6,250	5,518	3,036	3,516	2,767
Receipts	6,106	6,036	4,784	7,945	6,715	6,690
Balance Forward Out	6,250	5,518	3,036	3,516	2,767	2,000
<b>Expenditures</b>	<b>6,780</b>	<b>6,767</b>	<b>7,267</b>	<b>7,465</b>	<b>7,464</b>	<b>7,457</b>
Biennial Change in Expenditures				1,185		189
Biennial % Change in Expenditures				9		1
Full-Time Equivalents	61.38	63.89	62.45	59.61	62.92	61.83

## 2360 - Health Care Access

Balance Forward In		0		4		
Direct Appropriation	1,496	1,496	1,760	1,760	1,760	1,760
Cancellations		3				
Balance Forward Out	0		4			
<b>Expenditures</b>	<b>1,496</b>	<b>1,493</b>	<b>1,756</b>	<b>1,764</b>	<b>1,760</b>	<b>1,760</b>
Biennial Change in Expenditures				531		0
Biennial % Change in Expenditures				18		(0)
Full-Time Equivalents	15.13	13.19	12.78	13.36	14.00	14.00

## 2710 - Highway Users Tax Distribution

Balance Forward In		1		92		
Direct Appropriation	1,866	1,866	2,195	2,195	2,195	2,195

# Administration of State Taxes

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
Cancellations		0				
Balance Forward Out	1		92			
<b>Expenditures</b>	<b>1,865</b>	<b>1,867</b>	<b>2,103</b>	<b>2,287</b>	<b>2,195</b>	<b>2,195</b>
Biennial Change in Expenditures				658		0
Biennial % Change in Expenditures				18		0
Full-Time Equivalents	15.05	14.49	13.70	17.41	18.00	17.00

## 2800 - Environmental

Balance Forward In		0		9		
Direct Appropriation	259	259	305	305	305	305
Cancellations		0				
Balance Forward Out	0		9			
<b>Expenditures</b>	<b>259</b>	<b>259</b>	<b>296</b>	<b>314</b>	<b>305</b>	<b>305</b>
Biennial Change in Expenditures				92		0
Biennial % Change in Expenditures				18		0
Full-Time Equivalents	2.20	2.38	2.32	2.35	2.00	2.00

**Program: Tax System Management**

**Activity: Appeals, Legal Services, and Tax Research**

<https://www.revenue.state.mn.us/>

### AT A GLANCE

In 2021, Appeals, Legal Services, and Tax Research:

- Closed 1,170 administrative appeals, 2.2% of which were appealed to court
- Worked on 75 cases filed in small claims and Tax Court
- Completed on-time revenue estimates for 99.3% of the bills heard in tax committees
- Responded to 49 Data Practices requests

### PURPOSE AND CONTEXT

The Appeals, Legal Services, Disclosure, and Tax Research Divisions provide tax policy development and tax administration support through legal and policy guidance to Department of Revenue employees and customers, and by providing information and analysis about Minnesota's tax system.

These divisions serve individual and business taxpayers, tax administrators, the governor and staff, legislators and staff, state agencies, local governments, and nonprofit organizations.

### SERVICES PROVIDED

#### Appeals, Legal Services, and Disclosure Division

This division comprises these units: Appeals, Legal Services, and Litigation, Disclosure, and Records Management. Details of these units follow:

##### *Appeals*

This unit provides an informal forum for the reconsideration of tax audits, refund denials, and penalties issued as tax orders by the department. Taxpayers who disagree with these orders may file an administrative appeal with the Department of Revenue or appeal to Minnesota Tax Court or District Court, depending on the type of order. Other key activities include:

- Providing feedback about appeal resolutions to the department's audit and collection divisions
- Working with the Attorney General's Office staff on cases that are litigated in court
- Handling small claims cases filed in Tax Court

##### *Legal Services*

This unit works closely with the Commissioner of Revenue, the Governor's Office, and the Legislature to develop state policy and clarify tax issues to ensure that the revenue system is fair, efficient, reliable, competitive, and understandable.

Legal Services attorneys serve as legal counsel to the Department of Revenue by providing legal and policy advice to department staff about tax matters and actively participating on division policy teams. Our attorneys:

- Draft tax-related legislation and testify before legislative committees about the legal aspects of each bill
- Draft and amend Minnesota Rules that interpret tax laws so they can be applied to everyday use
- Create Revenue Notices that advise taxpayers about the department's position regarding tax laws

The department’s Rules and Revenue Notices are published in the State Register and posted on our website. Legal Services also provides training to department employees about tax law changes and other tax-related subjects. These activities support tax policy development and tax administration.

*Litigation, Disclosure, and Records Management*

This unit manages the compliance activities associated with state and federal requirements related to tax returns and return information. Key activities include:

- Providing guidance on the retention of all department records
- Directing responses to data practices requests for department information
- Managing the department’s small claims Tax Court cases and significant litigation by acting as liaison between the department and the Attorney General’s Office
- Draft legislation regarding disclosure issues
- Liaise between the department and the Internal Revenue Service on Federal Tax Information (FTI) and Social Security Administration (SSA) compliance

**Tax Research Division**

The Tax Research Division provides customers with information and analysis about Minnesota’s tax system. Our researchers provide accurate, complete, and timely information to state policymakers, government officials, the media, and the public so recipients can make well-informed decisions. Key activities include:

- Providing policy guidance
- Estimating the impacts of proposed legislation
- Forecasting future state revenues
- Preparing studies and reports mandated by the Legislature

Tax Research creates and maintains databases of tax data and complex models for analyzing the tax system. Our key products include the Tax Incidence Study, Tax Expenditure Budget, Tax Handbook, and annual tax statistics for the department’s website.

**RESULTS**

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Customers who resolved their appeal with the department without appealing to Tax Court	97.9%	97.8%	Previous is FY19, current is FY21
Quantity	Revenue Notices published	8	4	Previous is FY19, current is FY21
Quantity	Revenue Analyses prepared	607	661	Previous is FY2019-20, current is FY2021-22
Quantity	Data Practices requests	59	49	Previous is FY19, Current is FY21

---

Minnesota Statute 270C.03 (<http://www.revisor.mn.gov/statutes/?id=270C.03>) establishes the Department of Revenue’s legal authority.

# Appeals, Legal Services and Tax Research

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	9,460	10,269	9,859	12,381	11,005	11,006
<b>Total</b>	<b>9,460</b>	<b>10,269</b>	<b>9,859</b>	<b>12,381</b>	<b>11,005</b>	<b>11,006</b>
Biennial Change				2,510		(229)
Biennial % Change				13		(1)
<b><u>Expenditures by Category</u></b>						
Compensation	8,146	8,537	8,478	10,031	9,242	9,245
Operating Expenses	1,308	1,732	1,380	2,350	1,763	1,761
Other Financial Transaction	6					
<b>Total</b>	<b>9,460</b>	<b>10,269</b>	<b>9,859</b>	<b>12,381</b>	<b>11,005</b>	<b>11,006</b>
<b><u>Full-Time Equivalents</u></b>						
	<b>79.07</b>	<b>78.84</b>	<b>76.39</b>	<b>90.53</b>	<b>88.73</b>	<b>86.56</b>



# Appeals, Legal Services and Tax Research

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		322		1,141		
Direct Appropriation	10,132	10,319	12,000	11,240	11,005	11,006
Transfers In		420				
Transfers Out	350	768	1,000			
Cancellations		24				
Balance Forward Out	322		1,141			
<b>Expenditures</b>	<b>9,460</b>	<b>10,269</b>	<b>9,859</b>	<b>12,381</b>	<b>11,005</b>	<b>11,006</b>
Biennial Change in Expenditures				2,510		(229)
Biennial % Change in Expenditures				13		(1)
Full-Time Equivalents	79.07	78.84	76.39	90.53	88.73	86.56

**Program: Tax System Management****Activity: Agency-wide Operations and Oversight**<https://www.revenue.state.mn.us/>

### AT A GLANCE

In 2021, Operations and Oversight divisions:

- Notified and sent payment to 3,899 restaurants, bars, gyms, and bowling centers, totaling over \$66 million, as part of the COVID Business Relief Payment program
- Prioritized retroactively adjusting more than 543,000 tax returns to refund more than \$303 million in income tax collected on Unemployment Insurance and Paycheck Protection Program forgiven loan income
- Accelerated planning for hybrid work environments, including reduction to leased square footage
- Continued to work with nearly 10,000 individuals and businesses negatively impacted by COVID-19 to abate additional tax charges and interest for late filing or payment - more than \$14 million in penalties were cancelled by Revenue
- Completed an update of the state's integrated tax management system to be more secure, accessible, and user-friendly for individuals and businesses
- Issued over 36,000 penalty and interest waivers for Minnesota taxpayers affected by IRS declared disasters
- Increased overall investment to provide reasonable accommodations for our disabled employees
- Evaluated and began implementing cost savings in operational areas across the agency through centralization of common administrative services and supplies
- Increased website traffic by 123%
- Increased email list subscriptions by 20%

### PURPOSE & CONTEXT

Operations and Oversight provides the overall strategic and day-to-day functions required to administer programs across the Department of Revenue. Activities include agency leadership, strategic planning and oversight, workforce recruitment, development, training and retention, internal and external communication with employees and customers, financial and program oversight and accountability, agency planning, and program and financial evaluation and development.

We serve all department employees, individual and business taxpayers, tax administrators, the governor and staff, legislators and staff, state agencies, local governments, and nonprofit organizations.

Operations and Oversight helps the Department of Revenue accomplish its goals through these strategies:

- Promote the mission and values of the department through executive leadership, policy development, strategic planning, and internal and external communications.
- Provide statutorily required services, guidance, and accountability in the areas of finance, human resources administration, and employee development.
- Use best and current practices to manage information technology, planning and performance, and diversity and inclusion activities.
- Hire and develop a high-quality and diverse workforce.
- Safeguard the state's assets and comply with federal and state regulations and agency policies through compliance with established procedures and internal controls.

## SERVICES PROVIDED

Operations and Oversight provides a wide range of services including budget management, financial transactions, financial reporting and analysis, procurement and inventory management, internal audit, asset and property management, recruitment and selection, job classification, salary and benefit administration, labor contract administration, employee training, tax system planning, project management, program development, and internal and external communications.

We work closely with MNIT Revenue and other stakeholders to ensure continuous operation and accessibility to technology systems. Our planning and performance unit conducts research and evaluation projects, prepares legislative and other reports, and manages continuous improvement activities. We also develop and update business continuity and risk management plans.

## RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Website visits (yearly)	3.1 million	6.9 million	Previous is CY19, Current is CY21
Quantity	Social media followers (Facebook and Twitter)	6,495	6,716	Previous is CY19, Current is CY21
Quantity	Subscribers to email subscription lists	445,570	536,034	Previous is CY19, Current is CY21
Quantity	Press Releases Published	49	57	Previous is CY19, Current is CY21
Quantity	Press inquiries responded to	170	110	Previous is CY19, Current is CY21
Quantity	Individual and business tax forms created and maintained	85	85	Previous is CY19, Current is CY21
Quantity	Agency-wide business improvement projects	14	21	Previous is CY19, Current is CY21
Quantity	Fiscal note requests received	55	52	Previous is FY19,

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
				Current is FY21
Quality	Adverse Department of Revenue Annual Comprehensive Financial Report (ACFR) audit findings	0	0	Previous is FY19, Current is FY21
Results	Employee turnover rate	6.7%	6.3%	Previous is FY20, Current is FY21

---

Minnesota Statute 270C.03 (<http://www.revisor.mn.gov/statutes/?id=270C.03>) establishes the Department of Revenue's legal authority.

## Agency-wide Operations and Oversight

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	21,463	20,652	21,474	30,851	28,632	27,613
2000 - Restrict Misc Special Revenue	156	2	2	11	11	11
<b>Total</b>	<b>21,619</b>	<b>20,653</b>	<b>21,476</b>	<b>30,862</b>	<b>28,643</b>	<b>27,624</b>
Biennial Change				10,066		3,929
Biennial % Change				24		8
<b><u>Expenditures by Category</u></b>						
Compensation	12,941	12,065	10,589	19,276	16,845	15,822
Operating Expenses	8,677	8,585	8,238	11,568	11,782	11,786
Capital Outlay-Real Property	(24)		120			
Other Financial Transaction	25	3	2,528	18	16	16
<b>Total</b>	<b>21,619</b>	<b>20,653</b>	<b>21,476</b>	<b>30,862</b>	<b>28,643</b>	<b>27,624</b>
<b><u>Full-Time Equivalents</u></b>	<b>130.12</b>	<b>117.28</b>	<b>91.38</b>	<b>175.09</b>	<b>161.60</b>	<b>148.00</b>

## Agency-wide Operations and Oversight

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		1,150		4,703		
Direct Appropriation	21,165	21,500	21,289	26,273	28,757	27,738
Transfers In	2,597	2,002	5,000			
Transfers Out	1,345	3,723	112	125	125	125
Cancellations		277				
Balance Forward Out	954		4,703			
<b>Expenditures</b>	<b>21,463</b>	<b>20,652</b>	<b>21,474</b>	<b>30,851</b>	<b>28,632</b>	<b>27,613</b>
Biennial Change in Expenditures				10,211		3,920
Biennial % Change in Expenditures				24		7
Full-Time Equivalents	130.12	117.28	91.38	175.09	161.60	148.00
<b>2000 - Restrict Misc Special Revenue</b>						
Balance Forward In	455	462	591	1,033	1,131	1,229
Receipts	163	131	443	109	109	109
Balance Forward Out	462	591	1,033	1,131	1,229	1,327
<b>Expenditures</b>	<b>156</b>	<b>2</b>	<b>2</b>	<b>11</b>	<b>11</b>	<b>11</b>
Biennial Change in Expenditures				(145)		9
Biennial % Change in Expenditures				(92)		74

**Program: Debt Collection Management**<https://www.revenue.state.mn.us/>**AT A GLANCE**

In 2021, the Minnesota Department of Revenue:

- Collected over \$347 million owed to Minnesota governments
- Resolved 198,000 tax debts and 99,000 other agency debts
- Answered over 159,000 incoming phone calls from customers
- Provided pandemic relief for debtors through a stoppage of certain collection actions and waivers of penalties and interest
- Responded to more than 4,700 web messages and 19,000 emails from customers
- Responded to more than 11,000 letters from customers

**PURPOSE AND CONTEXT**

The Department of Revenue's Debt Collection Management program collects past-due tax debts and debts owed to other state agencies in Minnesota. We perform all aspects of debt collection, making our government more efficient by centralizing the work, instead of duplicating it in each agency.

This centralized approach also makes it easier for a debtor, who may owe multiple agencies, by providing a one-stop resolution center to settle their state government debts. We help people who owe understand their obligations and set up payment plans when appropriate.

The Department of Revenue started collecting non-tax debts for other state agencies in 1995, when legislation centralized debt collection services. In 2008, new legislation allowed local governments to refer their debts to us. We now collect 171 types of fees, fines, taxes, and payments for a range of public agencies.

**SERVICES PROVIDED****Helping Customers**

A large part of the department's role is helping customers understand their obligation and working to get – and keep – them in compliance. To do that, we provide education and outreach to customers through:

- Training events
- Outreach events
- Videos
- Website content
- Phone calls
- Emails
- Letters
- In-person customer contact

**Collection Process**

When a debt is not paid to Minnesota, a state agency, or a local jurisdiction, that debt is referred to the Department of Revenue. The collection process begins the same way for all debtors. We send the customer a notice with details on the debt, their rights, and how they can resolve the debt.

Many customers work with us at this point to resolve their debt by making a full payment or by setting up a payment plan. If the customer fails to respond to our written notice, we take actions to collect the debt. Each case is different, and these collection actions may vary based on many factors. Depending on the circumstances, we may:

- Levy wages or financial accounts
- File liens against property
- Offset (take) tax or other refunds
- Hold owners or corporate officers personally liable for business debts
- Revoke professional or business licenses
- Seize business or personal property

We ensure that everyone reports, pays, and receives the right amount by:

- Sending letters, processing payments and returns, registering customers in our system, making financial adjustments, and handling and distributing incoming correspondence
- Reconciling accounts and issuing payments to banks, the general fund, and other agencies
- Issuing legal opinions, providing representation on legal matters, resolving internal and tax court appeals and administrative hearings
- Programming the technical systems needed to track and process debts
- Protecting customer data
- Communicating and reaching out to the public through direct and digital communication and in the news media

### RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Tax Debt Revenue Collected	\$306 million	\$314 million	Previous is FY20, Current is FY21
Quantity	Other Agency Debt Revenue Collected	\$43 million	\$33 million	Previous is FY20, Current is FY21

---

[Minnesota Statute 16D.08](#) establishes the Department of Revenue’s Collection Duties and Powers.



## Debt Collection Management

## Program Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b><u>Expenditures by Fund</u></b>						
1000 - General	29,163	28,741	28,432	33,635	31,390	31,390
2000 - Restrict Misc Special Revenue	900	810	915	800	800	800
<b>Total</b>	<b>30,063</b>	<b>29,551</b>	<b>29,346</b>	<b>34,435</b>	<b>32,190</b>	<b>32,190</b>
Biennial Change				4,168		599
Biennial % Change				7		1
<b><u>Expenditures by Activity</u></b>						
Debt Collection	30,063	29,551	29,346	34,435	32,190	32,190
<b>Total</b>	<b>30,063</b>	<b>29,551</b>	<b>29,346</b>	<b>34,435</b>	<b>32,190</b>	<b>32,190</b>
<b><u>Expenditures by Category</u></b>						
Compensation	27,047	25,908	24,801	29,727	28,046	28,045
Operating Expenses	3,015	3,542	3,918	4,704	4,140	4,141
Capital Outlay-Real Property	(10)	0	(5)			
Other Financial Transaction	11	101	632	4	4	4
<b>Total</b>	<b>30,063</b>	<b>29,551</b>	<b>29,346</b>	<b>34,435</b>	<b>32,190</b>	<b>32,190</b>
<b><u>Full-Time Equivalent</u></b>	<b>330.02</b>	<b>299.93</b>	<b>274.32</b>	<b>268.28</b>	<b>269.26</b>	<b>262.58</b>

# Debt Collection Management

# Program Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<b>1000 - General</b>						
Balance Forward In		26		2,245		
Direct Appropriation	28,786	29,316	29,873	30,390	30,390	30,390
Open Appropriation	405	473	804	1,000	1,000	1,000
Transfers Out	11	983				
Cancellations		92				
Balance Forward Out	17		2,245			
<b>Expenditures</b>	<b>29,163</b>	<b>28,741</b>	<b>28,432</b>	<b>33,635</b>	<b>31,390</b>	<b>31,390</b>
Biennial Change in Expenditures				4,163		713
Biennial % Change in Expenditures				7		1
Full-Time Equivalents	321.96	290.78	265.20	261.06	261.58	255.09

## 2000 - Restrict Misc Special Revenue

Balance Forward In	1,338	1,156	818	630	630	630
Receipts	719	472	727	800	800	800
Balance Forward Out	1,156	818	630	630	630	630
<b>Expenditures</b>	<b>900</b>	<b>810</b>	<b>915</b>	<b>800</b>	<b>800</b>	<b>800</b>
Biennial Change in Expenditures				4		(115)
Biennial % Change in Expenditures				0		(7)
Full-Time Equivalents	8.06	9.15	9.12	7.22	7.68	7.49