



OKLAHOMA
Tax Commission

Tax Commission

FY 2025 Budget Hearing Presentation

Submitted by: Doug Linehan, Executive Director



Executive Leadership Team

Doug Linehan Executive Director

Elizabeth Field General Counsel

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The **Oklahoma Tax Commission (OTC)**, as an agency, administers the collection and distribution of approximately 75 different taxes, licenses and fees. It is the OTC's statutory duty to apportion such revenues to the various state funds and to allocate directly to local units of government certain state-collected levies earmarked to counties, school districts and municipalities. Under contract with individual municipalities, the OTC is responsible for administration, collection and distribution of local sales and use tax levied by the cities and towns of Oklahoma. Founded in 1931, this agency includes the following divisions:

Headquarters (Commissioners, Support Staff, Internal Audit)

Ad Valorem

Administration

Audit Services

Business Operations

Business Tax Services

Central Processing

Collections

Digital Communications & Marketing

Human Resources

Income Tax Accounts

Information Technology

Innovation

Legal

Tax Policy & Research

Taxpayer Resource Center

Agency Mission and Core Values

Mission: Promote tax compliance through serving taxpayers with transparency and fairness in administration of the tax code and unparalleled customer service.

Core Values: What we believe...

- **Transparency and fairness in administration of the tax code**
- **Unparalleled customer service**
- **Drive efficiencies through innovation**
- **Creating a great place to work**



What Guides Us Every Day

Principles:

- **Data-Driven Decisions**
- **Pay-for-Performance Culture**
 - **Clarity with respect to expectations**
 - **Accountability**
- **Taxpayer and Employee Focused**
- **Execute with Discipline and Urgency**
- **Be a Good Teammate**



Fiscal 2023 and 2024 Accomplishments

- **Initiated and Executing Employee Engagement Strategy**
 - Employee engagement survey results significantly improved
- **Executing Agency-Wide Employee Training Program**
- **Implementing/Executing Agency-Wide Leadership Training Program**
- **Implemented Ad Valorem Operating System**
- **Implemented Collections Operating System**
- **Implemented and Executing Robust Employee Performance Management Process**
- **Implemented and Executing Pay-For-Performance Culture**
- **Implemented and Executing Standardized Employee On-Boarding Experience**
- **Executing Overhaul of All Taxpayer Letters (focused on clarity and simplicity)**
- **Reduced Annual Employee Turnover Rate by 11% points; Currently at 17%**

Attempting to Build a Solid Foundation...Responsibly



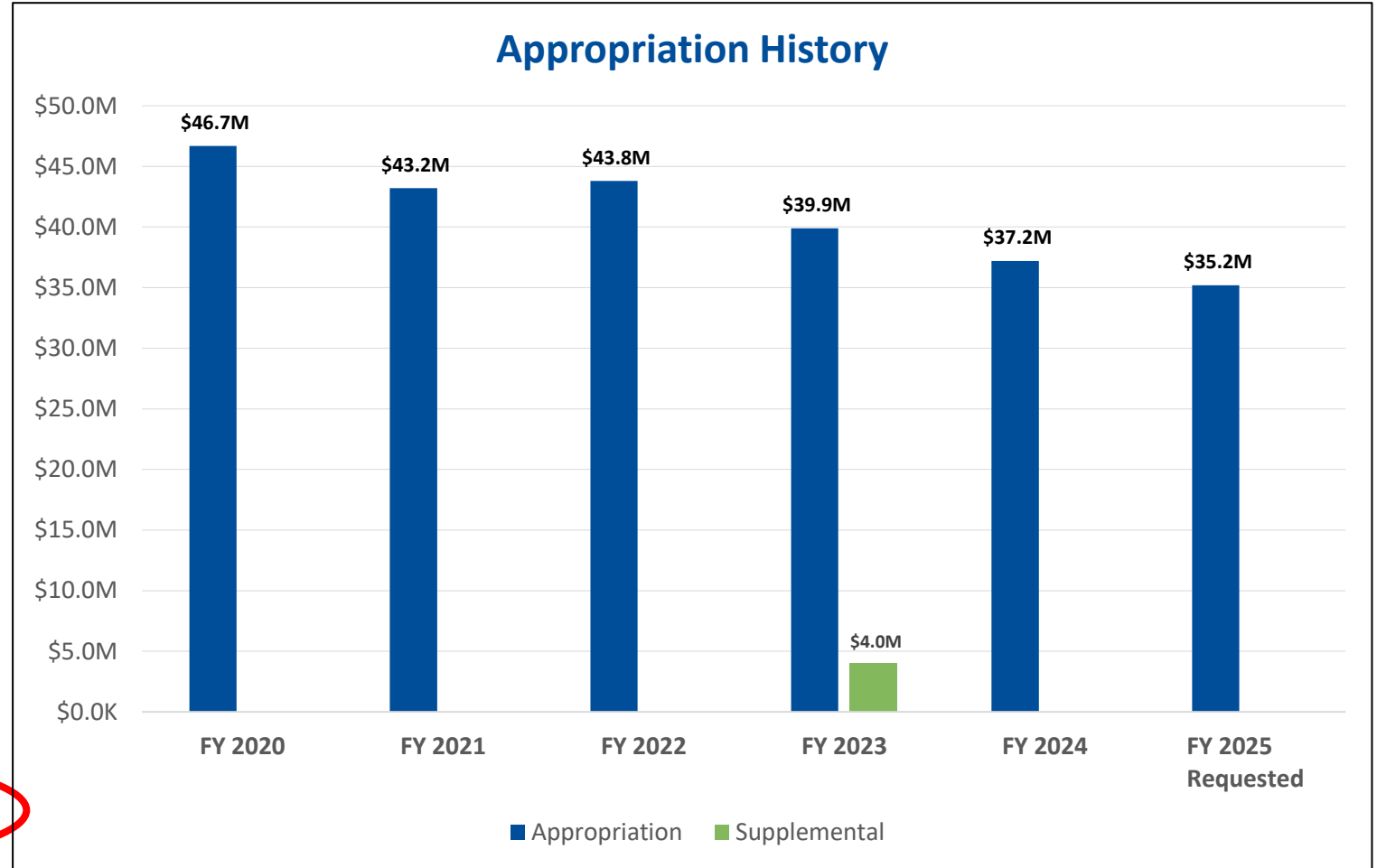
Opportunities...

- **Implementation of Parental Choice Tax Credit Legislation**
- **Transform the OTC Website and OkTAP to enhance the taxpayer experience**
- **Transform the OTC Taxpayer Resource Center to enhance the taxpayer experience**
- **Continue overhaul of all OTC letters sent to taxpayers (to simplify letters sent to taxpayers)**
- **Implement a legal case management operating system**

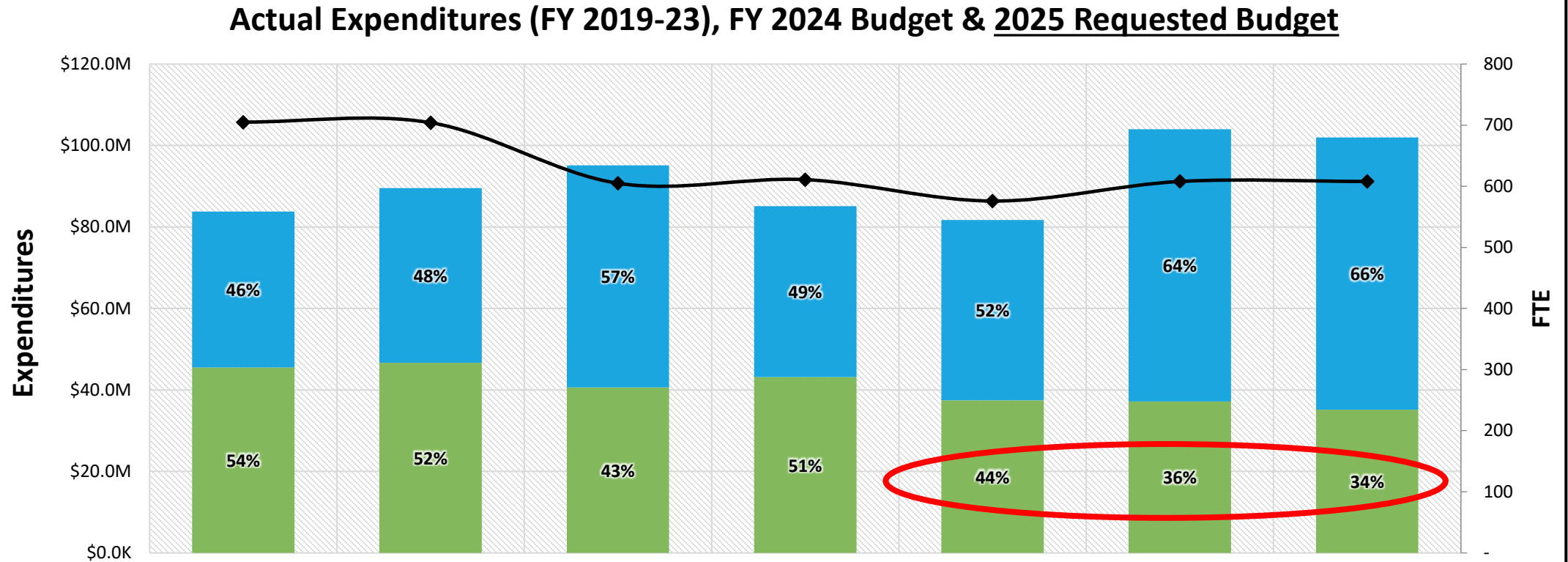


Appropriation History

Fiscal Year	Legislated Appropriation (\$) <i>(Includes supplemental if applicable.)</i>
FY 2020	\$46,678,127
FY 2021	\$43,177,267
FY 2022	\$43,844,417
FY 2023	\$43,924,417
FY 2024	\$37,174,417
FY 2025 (requested)	\$35,174,417



Actual Expenditures (FY 2019-23), FY 2024 Budget & 2025 Requested Budget



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Budget	FY 2025 Requested Budget
■ Revolving	\$38.3M	\$42.9M	\$54.5M	\$42.0M	\$44.2M	\$66.8M	\$66.8M [★]
■ Appropriated	\$45.5M	\$46.7M	\$40.6M	\$43.2M	\$37.5M	\$37.2M	\$35.2M
Total	\$83.8M	\$89.6M	\$95.1M	\$85.1M	\$85.7M	\$104.0M	\$102.0M
— FTE	705	704	605	611	576	608	608

Notes:

- (1) Above amounts exclude pass-through and supplemental funds as they are not considered part of OTC operating funds.
- (2) Appropriated dollars include amounts accrued at year end.

★ OTC currently finalizing budgeted amount.



FY 2024 & 2025 Budgeted Full Time Equivalents (FTE)

	FY 2024/2025 Budgeted FTE
Total FTE	608 (2024) 608 (2025)

Financial Resource Analysis

Historical Cash Balances	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Year End Revolving Fund Cash Balances <i>(Excluding Pass-Through)</i>	\$31.8 M	\$36.3 M	\$49.6 M	\$56.5 M	\$70.5 M

Revolving Class Fund #	Revolving Class Fund Name	Balance (\$)
200	Oklahoma Tax Commission Fund	\$43.9 M
215	Tax Commission Reimbursement Fund	\$26.6 M
	Total Revolving Fund Cash Balance:	\$70.5 M

Fiscal Year	Agency's plan to deploy cash (including amounts):	
FY 2024	Ad Valorem Operating System	\$2.5 M
	Collections Operating System	\$2.0 M
	Parental Choice Tax Credit Operating System	\$3.0 M
FY 2025	Optimize OTC Taxpayer Website	\$4.0 M
	Optimize OTC OKTap	\$6.0 M
	Optimize Taxpayer Resource Center	\$2.7 M
	Implement Legal Case Mgmt. System	\$0.2 M
	Parental Choice Tax Credit Operating System	\$3.9 M

FY 2025 Operating Budget Request Summary

	Request Name	FY 2025 Appropriated Request Amount (\$) {or FY 2024 for Supplementals}	Type of Request: Operating, One-time, or Supplemental
1	Oklahoma Tax Commission – General Revenue Fund	\$34,924,417	Operating
2	Oklahoma Tax Commission – General Revenue Fund, State Auditor	\$250,000	Operating
3			
4			
5			



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