

LBA Financial Audit Report Summary:

Department of Revenue Administration Audit Report For the Year Ended June 30, 1995

The Department of Revenue Administration (DRA) was reorganized under the terms of RSA 21-J, effective July 1, 1985. DRA operates under the executive direction of the Commissioner who is appointed by the Governor, with the consent of Council, to serve a four-year term. DRA is responsible for coordinating the collection of state taxes, providing the Governor and General Court with information for public policy decisions, and for establishing a uniform system of financial accounting and reporting for the State's political subdivisions.

DRA is organized into an administrative unit, responsible for administrative functions and providing assistance to the Commissioner in short and long term planning activities, and six divisions. The divisions are: Division of Automated Information Systems, Division of Audits, Division of Collections, Division of Property Appraisal, Documents Processing Division, and the Municipal Services Division.

Our report included two management issues that remain unresolved from the last audit:

- the computerized tax information management system (TIMS) is still not fully operational and does not generate tax notices; and
- DRA waited until fiscal year 1995 to match information from other taxing authorities to its own in order to identify differences that might generate additional tax revenue for the Interest and Dividends Tax. In addition, it has not yet matched information for the Business Profits/Enterprises Taxes.

We recommended the Department:

- refine the TIMS tax notice system so it produces timely and accurate tax notices to taxpayers; and
- aggressively pursue tax information matching.