

**Georgia Department of Revenue News: Processing Center
Improvements Aimed at Speeding the Paperwork Processing**

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Change is good, and the Georgia Department of Revenue's Processing Center is undergone a paradigm shift aimed at enhancing the processing of documents. The ongoing changes will be completed by 2008.

The Processing Center, located in Atlanta, near the airport, issues, receives and processes taxpayer documents (such as returns and notices). The Center receives and deposits approximately \$6-\$7 billion of the State's revenue, with the remainder being electronic payments. Thus, the Center must operate at maximum efficiency.

Three important changes are designed to modernize the process that takes place at the Center. First, the Department has modified the flow of paperwork. The Center processes over eight million tax-related documents each year. In the past, the flow has included several detours designed to clarify the taxpayer information or conduct further research on the item. This has slowed the process. These bottlenecks have been removed, and the paperwork now flows with in a single direction with less diversion. The more streamlined flow enhances productivity.

Second, mail extractors and scanning equipment have been installed at the Center. The extractors open the mail, eliminating a manual task and doubling the Center's output. When completely implemented, the scanners will be enabled to allow the Department to make electronic deposits to the bank. This will eliminate the need to deliver the paper checks to the bank, and thus speed up the process.

Third, data recognition software has been installed. Optical Character Recognition (OCR) and Intelligent Character Recognition (ICR) software enables the Department to read data. This reduces the amount of data entry (manually by keyboard) required by Department

personnel and increases efficiency at the Center. Additionally, the data that is keyed is done so via image, thus reducing paper handling, storage space, and improving overall document management controls.

The Department encourages taxpayers to contribute by implementing a paradigm shift – filing electronically. Electronic filing reduces data-entry error. It also results in quicker refunds. Indeed, during the past filing season, electronic filers received their state refunds prior to receiving their federal refunds.

Georgia Becomes Sovereignty Member of Multistate Tax Commission: Effective July 1, 2007, the Georgia Department of Revenue becomes a sovereignty member of the Multistate Tax Commission. The Department will also join in the MTC's Joint Audit Program for sales and use taxes. The Department's current involvement includes participating in the National Nexus Program and the MTC's Tax Shelter Voluntary Compliance Program.

By becoming a sovereignty member of the MTC, Georgia will increase its involvement in the MTC. Sovereignty members support the MTC's Tax Compact, the purpose of which is to (1) facilitate proper determination of State and local tax liability of multistate taxpayers, including the equitable apportionment of tax bases and settlement of apportionment disputes, (2) promote uniformity or compatibility in significant components of tax systems, (3) facilitate taxpayer convenience and compliance in the filing of tax returns and in other phases of tax administration and (4) avoid duplicative taxation. Currently, only Delaware, Nevada, Virginia and Indiana have do not participate on any level in the MTC. For more information on the MTC and the MTC's Tax Compact, visit www.mtc.gov.