

November 30, 2021

Ms. Melinda M. Miguel
Chief Inspector General
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Subject: Florida Taxpayers' Rights Advocate's Annual Report FY 2020-2021

Dear Chief Inspector General Miguel:

Pursuant to section 1 of Chapter 2018-118, Laws of Florida, which amended subsection 20.21(3), Florida Statutes, please find enclosed the Florida Taxpayers' Rights Advocate's Annual Report for Fiscal Year 2020-2021.

If you have any questions, please contact Florida's Taxpayers' Rights Advocate at (850)617-8168.

Respectfully,



Patrick A. Loebig
Florida's Taxpayers' Rights Advocate

Cc: Dr. James Zingale
Maria Johnson

FLORIDA'S
Taxpayers' Rights Advocate
Annual Report

July 1, 2020-June 30, 2021

Taxpayers’ Rights Advocate Annual Report Fiscal Year 2020-2021

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Section 1: Taxpayer Rights and the Taxpayer Rights Advocate

The Taxpayer Rights Advocate (TRA) is a statutory position that is appointed by and reports to the Chief Inspector General and may be removed from office only by the Chief Inspector General. In this report, the Florida Department of Revenue is denoted by the abbreviation DOR. A copy of the 2018 statutes applicable to TRA operations is in [Section 4](#) of this report.

Constitutional and Statutory Requirements for Taxpayer Rights

Article I, Section 25, of the Florida Constitution, provides for taxpayer rights in the State of Florida, and is presented below in its entirety.

"Taxpayers' Bill of Rights.—By general law the legislature shall prescribe and adopt a Taxpayers' Bill of Rights that, in clear and concise language, sets forth taxpayers' rights and responsibilities and government's responsibilities to deal fairly with taxpayers under the laws of this state. This section shall be effective July 1, 1993."

"History.—Proposed by Taxation and Budget Reform Commission, Revision No. 2, 1992, filed with the Secretary of State May 7, 1992; adopted 1992."

The 1992 Florida Legislature passed legislation creating the Taxpayer's Bill of Rights. These rights are set forth in section 213.015, F.S. (2018), a copy of which is in [Section 4](#) of this report. The Taxpayer's Bill of Rights specifies that Florida taxpayers have the right to request assistance from a DOR Taxpayer Rights Advocate, who is responsible for facilitating the resolution of taxpayer complaints and problems not resolved through the normal administrative channels within DOR. TRA's role is addressed further in sections 20.21(3) and 213.018, F.S., as discussed below.

TRA's Role Provided in Florida Statutes

Under section 20.21(3), F.S., TRA's responsibilities include: 1) facilitating the resolution of taxpayer complaints and problems which have not been resolved through normal administrative channels within DOR; 2) issuing a stay action on behalf of a taxpayer who has suffered or is about to suffer irreparable loss as a result of action by DOR; and 3) producing an annual report. Note: the requirement for TRA to produce an annual report was enacted in 2018. This report is the fourth under the new legislation.

Section 213.018, F.S., clarifies that TRA's duty to facilitate the resolution of taxpayer complaints is to assure that taxpayer rights are safeguarded and protected during the tax determination and collection processes.

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Section 213.018(2)(a), F.S., clarifies that a stay order, also referred to as a taxpayer assistance order, may be issued only as an extraordinary measure and cannot be used to contest the merits of a tax liability or as a substitute for informal protest procedures or normal administrative or judicial proceedings.

TRA's Limited Scope of Authority

Taxpayers or taxpayer representatives contact TRA regarding their unresolved issues relating to DOR's general tax process. TRA does not administer DOR's general tax process, which is administered by other DOR organizational units. While TRA works with other DOR organizational units, TRA is not authorized to act as a substitute for any of them.

TRA is not authorized to represent a taxpayer, but TRA can and does serve as an advocate for the rights of taxpayers under Florida law. In facilitating the resolution of taxpayers' issues, TRA is bound by the same legal criteria as the organizational units that administer the general tax laws. TRA has no authority to create or impose rights or responsibilities not provided in law. TRA cannot serve as a substitute for the normal administrative or judicial proceedings for the review of tax determinations. See section 213.018(2)(a), F.S., in [Section 4](#) of this report.

Unlike the general tax process, which is administered at the state level by DOR, the property tax process is administered in each county by local officials. Accordingly, TRA does not handle taxpayer inquiries about local property tax matters. When TRA receives such an inquiry, TRA refers it to DOR's Property Tax Oversight Program, which provides information to the taxpayer about the local property tax.

TRA's Resources

TRA relies upon the DOR Executive Director to provide needed resources. TRA has had two tax specialists available to confer with taxpayers regarding their questions and problems. These two positions consist of the Taxpayer Rights Advocate and an experienced Tax Law Specialist.

The computer system available for TRA to maintain information about taxpayer contracts during FY 2018-2019 was newly created and implemented after the 2018 legislation to assist in providing the information required by the changes in the law. For FY 2018-2019, TRA was provided with a different information system expected to produce improved detail for its Annual Report. However, due to the short timeframe available for designing, developing, and implementing this system, substantial improvements were made in 2019.

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The design and development of a better system for coding, storing, and maintaining needed information will be an ongoing project as the need for system improvements are made. A new version of the system was developed and implemented in FY 2020-2021. The TRA used the improved information tracking system throughout FY 2020-2021.

Overview of TRA's Operations

TRA tax operations include receiving, evaluating, researching, and responding to customer inquiries regarding general tax matters, conducting a taxpayer outreach survey, and performing other tasks within DOR. TRA's general tax operations are described in [Section 2](#) of this report.

TRA's general tax operations are oriented around: 1) tax types, other facts, and applicable law; 2) DOR's general tax processes and procedures; and 3) the Florida Taxpayer's Bill of Rights in section 213.015, F.S. The complete text of the Taxpayer's Bill of Rights is in [Section 4](#) of this report.

Other TRA tax-related operations include but are not limited to: 1) informing Florida taxpayers of their rights and TRA's role primarily through speaking engagements; 2) working with DOR management and staff to improve knowledge, processes, publications, and customer service; and 3) producing an annual report with recommendations for improving taxpayer services.

TRA works with management and staff in other DOR organizational units including the General Tax Administration Program (GTA), the Office of General Counsel (OGC), the Technical Assistance and Dispute Resolution office (TADR), the Property Tax Oversight Program, the Information Systems Program (ISP), the Office of Workforce Management, the Inspector General's office, and the Executive Director's office. In these working relationships, TRA provides and receives information and assistance.

The subjects of these interactions may include but are not limited to: responses to customer inquiries, taxpayer surveys, audits, discovery, collections, operational research and trends, customer service, website improvements, technology development, tax-related research, process improvements, rulemaking, statistical sampling, data review and analysis, legislative review, litigation, education and training, and technical advisories.

TRA's objectives for the upcoming fiscal year are to continue: 1) assisting Florida taxpayers with resolving state tax matters not resolved through the normal channels; 2) identifying and recommending improvements in DOR's administration of state taxes; and 3) identifying and taking steps to improve taxpayer services.

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Steps Taken by TRA to Improve Taxpayer Services

Steps TRA has taken to improve taxpayer services include the following.

- Recommendations for Legislation to Improve Taxpayer Services.
- Recommendations for Administrative Actions to Improve Taxpayer Services.
- Annual Employee Training and Acknowledgement of the Taxpayer's Bill of Rights.
- Improved TRA's Internet Presence.
- Continual Improvement of a Better Information System.

Steps TRA is Planning to Take to Improve Taxpayer Services

These steps include the following.

- Recommendations for Legislation to Improve Taxpayer Services.
- Recommendations for Administrative Actions to Improve Taxpayer Services.
- Improve Agency Responsiveness to TRA's Recommendations and Initiatives.
- Continuation of an Improved Information System.
- Enhance TRA's contact information on Internet webpage.
- Enhance TRA's communication system.

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TRA's Recommendations for Legislative Action

In 2018, the Legislature enacted a requirement for TRA to recommend legislative action as appropriate to resolve problems encountered by taxpayers. A common problem is a lack of taxpayer knowledge regarding taxpayer rights in the taxation process. There is also a need to improve DOR employees' knowledge and implementation of taxpayer rights. The opening paragraph in section 213.015, F.S., commonly known as the Florida Taxpayer's Bill of Rights, states in part: "*The rights afforded taxpayers to ensure that their privacy and property are safeguarded and protected during tax assessment and collection are available only insofar as they are implemented in other parts of the Florida Statutes or rules of the Department of Revenue.*"

However, in the Taxpayer's Bill of Rights, subsections (1), (5), (17), (19), and (21) lack any references to other statutes that implement these five subsections. TRA believes this statutory deficiency should be addressed to help ensure that taxpayers are afforded their rights fairly and consistently. The statutes should contain affirmative, specific duties for the agency to act to ensure that all taxpayers are afforded their rights under Florida law. Accordingly, TRA recommends legislation to implement, in other parts of Florida Statutes, the following five subsections from the Taxpayer's Bill of Rights.

(1) The right to available information and prompt, accurate responses to questions and requests for tax assistance.

(5) The right to obtain simple, nontechnical statements which explain the reason for audit selection and the procedures, remedies, and rights available during audit, appeals, and collection proceedings, including, but not limited to, the rights pursuant to this Taxpayer's Bill of Rights and the right to be provided with a narrative description which explains the basis of audit changes, proposed assessments, assessments, and denials of refunds; identifies any amount of tax, interest, or penalty due; and states the consequences of the taxpayer's failure to comply with the notice.

(17) The right to have the department actively investigate and, where appropriate, implement automated or electronic business methods that enable the department to more efficiently and effectively administer the revenue sources of this state at less cost and effort for taxpayers.

(19) The right to participate in free educational activities that help the taxpayer successfully comply with the revenue laws of this state.

(21) The right to fair and consistent application of the tax laws of this state by the Department of Revenue.

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The impact of this recommended legislation will be to improve the implementation of the Florida Taxpayer's Bill of Rights.

In February 2020, the DOR's Executive Director requested that the TRA provide a preliminary draft of the TRA Annual Report before October 15 of each year. The TRA understands the request and agrees that providing the DOR an opportunity to respond before the issuance of the Annual Report would make for a more cohesive report. The TRA believes that the plain language of s. 20.21(3), F.S., does not provide the expressed statutory authority needed to provide for a preliminary draft. The TRA proposed the following Legislative Proposal in February 2020, and again proposes the following:

In subsection 20.21(3), F.S., a paragraph (d) would be created, as follows.

(d) On or before October 15 of each year, the taxpayer rights advocate shall provide to the office of the executive director a preliminary and tentative list of administrative issues and recommendations which may be included in the taxpayer rights advocate's annual report. Within 30 calendar days of receipt thereof, the office of the executive director shall provide to the taxpayer rights advocate a written response to such issues and recommendations. The response and the taxpayer rights advocate's answer to the response shall be included in the taxpayer rights advocate's final report.

Over the past two fiscal years, the current Executive Management team at the Department have made several increasing demands, in addition to requesting a preliminary draft of the Annual Report. These demands have included providing monthly reports in a format designed by the Department. These demands have created an ongoing workload issue on the TRA, while the Department removed staff that previously assisted in the development and drafting of the Annual Report. Based upon these increased demands, and others, the TRA recommends that subsection 20.21(3), F.S. be amended to make the Taxpayers' Rights Advocate completely independent of the Department, and the Executive Director.

None of the TRA's Legislative Recommendations have ever been addressed or accepted by the DOR. It is interesting to note that the Department responds to the TRA's Administrative recommendations, but none of the TRA's Legislative Recommendations. See Addendum "B" the DOR's Response to the TRA's preliminary draft of this Annual Report.

Section 2: TRA Tax-Related Operations

This section describes TRA's tax-related operations, which are oriented around: 1) tax types, other facts, and applicable law, 2) DOR's general tax processes and procedures, and 3) the Florida Taxpayer's Bill of Rights set forth in section 213.015, F.S. The complete

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text of the Taxpayer's Bill of Rights is in [Section 4](#) of this report. Florida law provides for taxpayer rights, and these rights must be observed and protected.

Overview of the DOR General Tax Process

DOR is responsible for administering Florida's state tax laws in a fair, consistent, and efficient manner. Promoting voluntary compliance is an important part of DOR's mission to ensure that all taxpayers pay their applicable taxes. To promote voluntary compliance, DOR provides a taxpayer education webpage that explains how taxpayers can access DOR's educational publications, online tutorials, and webinars. DOR implemented the webinars in partnership with SCORE (Service Corps of Retired Executives), a nonprofit association of volunteer business counselors.

DOR also has an obligation to monitor compliance and take necessary action to encourage compliance with tax laws. DOR's tax administration duties include conducting audits and performing discovery and collection activities. In DOR's administration of tax laws, the rights of taxpayers must be observed and protected. During the audit process, DOR reportedly provides audited taxpayers with information on taxpayer rights, but TRA recommends that DOR establish a requirement that each audited taxpayer be provided a copy of the Taxpayer's Bill of Rights at the beginning and end of each audit.

DOR's general tax process is administered primarily by a DOR organizational unit known as the General Tax Administration Program (GTA). Another DOR organizational unit, known as Technical Assistance and Dispute Resolution (TADR), also has a key role in DOR's general tax process by: 1) providing technical assistance services to taxpayers, taxpayer representatives, and GTA, and 2) providing dispute resolution services when taxpayers dispute tax assessment or refund determinations made by GTA. Additionally, DOR's Office of General Counsel (OGC) provides legal review of general tax issues.

TRA is independent of GTA and TADR and, under Florida law, TRA cannot serve as a substitute for GTA and TADR. Likewise, TRA cannot serve as a substitute for the normal administrative or judicial proceedings for the review of tax determinations. See section 213.018(2)(a), F.S.

TRA routinely interacts with GTA, TADR, and OGC regarding the general tax process. TRA uses GTA computer systems to verify information or conduct research.

DOR partners in the general tax process include, but are not limited to, the following.

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- Taxpayers
- Businesses and employers
- Local governments
- Third party debt collectors
- National tax associations
- Tax Section of the Florida Bar
- Professional accounting organizations such as FICPA and AICPA
- Florida Department of Agriculture and Consumer Services
- Florida Department of Economic Opportunity
- U.S. Department of Labor
- Internal Revenue Service
- U.S. Customs Service

DOR administers over 30 taxes and fees, including the sales and use tax, reemployment assistance tax, documentary stamp tax, corporate income tax, motor fuel tax, communication services tax, and insurance premium tax, among others.

Types of Tax-Related Contacts Handled by TRA

In this report, TRA generally defines the term "contact" as communication originating from outside DOR on tax-related matters and that are received directly by TRA or referred to TRA. TRA tax-related contacts are divided into the following five categories.

- **Requests:** These are requests for assistance on subjects such as tax forms, taxability of a situation generally, appeal rights, taxpayer rights, etc.
- **Inquiries:** These are contacts regarding the specific details of a taxpayer's account such as appeal rights and deadlines, notices, payments, etc.
- **Complaints:** These are contacts where taxpayers or their representatives express dissatisfaction with DOR or an employee regarding an audit, notice, assessment, collection activity, penalty, interest, customer service, etc.; complaints include post-audit review cases where the taxpayer contacts TRA directly for assistance.
- **Post-Audit Reviews:** These are contacts where a taxpayer account is in the collections process, the appeals period has expired, and the taxpayer has contacted DOR collections staff and collections staff has referred the taxpayer to TRA and provided to TRA documentation regarding the taxpayer's issues; TRA reviews the documentation to prepare for any direct contact from the taxpayer given the time-sensitive nature of the collections process.

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- **Other Contacts:** These are contacts that do not fall within any of the other contact categories and include compliments. Compliments are defined as an expression of appreciation for assistance provided by any member of DOR. This category also includes Comments/Other, which includes any other TRA contact that does not fit within the other established contact types. The Comments/Other category includes governmental advisories.

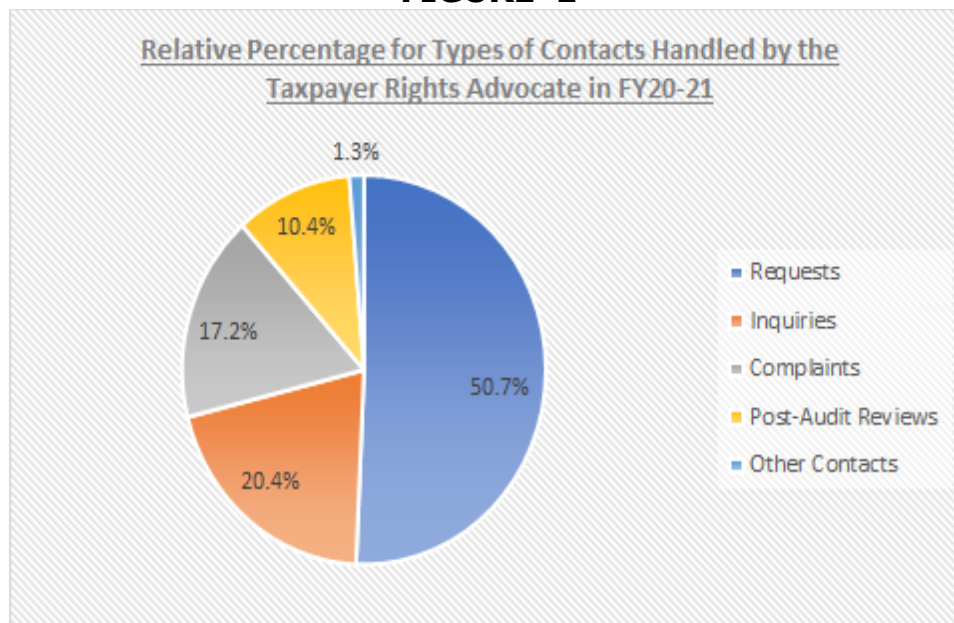
As shown below, Table 1 and Figure 1 contain an analysis of the tax-related contacts handled by TRA in FY 20-21. The "Other Contacts" category included 2 compliments, and 7 comments. The number of overall tax-related contacts in FY 20-21, was a decrease of 117. The decrease was primarily due to the number inquiries received which went from 256 in FY 19-20, to 137 in FY 20-21. Inquiries involve taxpayers that have established accounts with a Business Partner Number. During FY 20-21 many taxpayers' businesses were closed for some or all the fiscal year due to the COVID-19 pandemic. Also, during FY 20-21, the Department scaled back audit, collection, and enforcement efforts due to the COVID-19 pandemic. While the number of Inquiries decreased in FY 20-21, the TRA received a 15% increase in the number of Requests from FY 19-20 to FY 20-21. Requests accounted for over 50% of all contacts received by the TRA in FY 20-21. Requests typically involve consumers or individuals that do not have established accounts with the Department. Of the 341 Requests received by the TRA, 178 were Requests for assistance with personal income taxes, or other federal tax issues. TRA cannot assist individuals with personal income tax or federal tax matters, other than refer them to the IRS Taxpayers Advocacy Service.

TABLE 1

Types of Contacts Handled by the Taxpayer Rights Advocate in FY20-21		
Tax Type	Number of Contacts	Percent of Total Contacts
Requests	341	50.7%
Inquiries	137	20.4%
Complaints	116	17.2%
Post-Audit Review	70	10.4%
Other Contacts	9	1.3%
Totals =	673	100.0%

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FIGURE 1



Overview of TRA Procedures for Handling Tax-Related Contacts

In handling taxpayer contacts, TRA generally needs to ask questions and conduct research to identify pertinent facts of the case such as the tax type, DOR activity involved, and taxpayer circumstances. This information enables TRA to identify the issue and taxpayer rights involved and find a reasonable solution consistent with facts and law. In many cases, handling tax-related contacts involves extensive research and communication to identify or verify the relevant facts and applicable law.

Additionally, handling tax-related contacts often requires TRA to research statutes, rules, and agency procedures to identify reasonable solutions. It is necessary to identify the standards applicable to the facts of the tax matter that is the subject of the contact. These standards include substantive law and the Taxpayer's Bill of Rights set forth in section 213.015, F.S. In handling tax-related contacts, TRA is bound by the same standards as GTA in administering the general tax process. Generally, tax-related contacts received by TRA involve complex issues.

TRA Tax-Related Contacts Analyzed by Tax Type

Four DOR-administered tax types are the most common for tax-related contacts handled by TRA. These are: sales and use tax, reemployment assistance tax, documentary stamp

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tax, and corporate income tax. Summarized below are these four, along with a category for other tax-related contacts.

- **Sales and Use Tax:** This contact type involves the taxes provided in Chapter 212, F.S. It includes the state sales tax, the use tax, and the discretionary sales surtax. The sales tax is applied to transactions such as: retail sales of taxable items; rentals, leases, or other licenses to use real property; and rentals of short-term living accommodations such as hotel rooms. The use tax is due on the use or consumption of taxable goods or services when sales tax was not paid at the time of purchase. In most counties, there is a discretionary sales surtax that applies to most transactions subject to the sales or use tax. The discretionary sales surtax is a local-option, county-imposed tax that is collected along with sales tax; it is then sent to DOR and DOR distributes the tax to counties for use in funding authorized local projects.
- **Reemployment Assistance Tax:** This contact type involves the reemployment assistance tax provided in Chapter 443, F.S. This is a tax on wages paid by Florida employers to provide partial, temporary income to workers who lose their jobs through no fault of their own and who are able and available to work.
- **Documentary Stamp Tax:** This contact type involves the tax provided in sections 201.02, 201.07, and 201.08, F.S. This is an excise tax on documents such as deeds, bonds, notes and other written obligations to pay money, mortgages, liens, and other evidence of indebtedness.
- **Corporate Income Tax:** This contact type involves the tax provided in Chapter 220, F.S. Generally, all corporations, associations, or entities doing business, earning income, or existing in Florida are required to file a Florida Corporate Income/Franchise Tax Return.
- **Other Tax-Related Contacts:** This category may include contacts about other tax types such as motor fuel tax, communication services tax, insurance premium tax, or other taxes or fees administered by DOR.

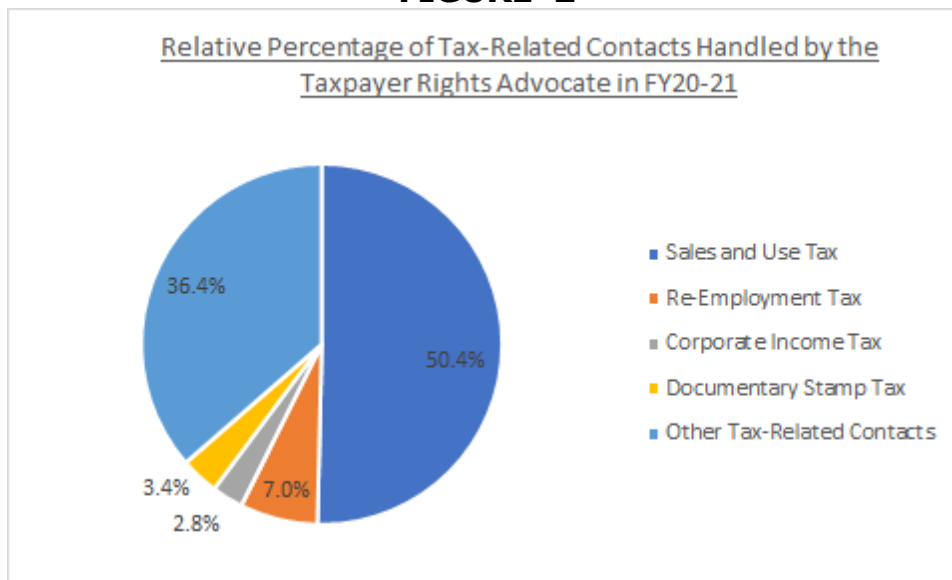
Table 2 and Figure 2 below contain an analysis by tax type of the tax-related contacts handled by TRA in FY 20-21. The "Other Tax-Related Contacts" category includes a variety of other tax types administered by DOR, as well as property tax contacts which TRA refers to DOR's Property Tax Oversight Program for handling.

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TABLE 2

Tax-Related Contacts Handled by the Taxpayer Rights Advocate in FY20-21		
Tax Type	Number of Contacts	Percent of Total Contacts
Sales and Use Tax	339	50.4%
Reemployment Tax	47	7.0%
Corporate Income Tax	19	2.8%
Documentary Stamp Tax	23	3.4%
Other Tax-Related Contacts	245	36.4%
Totals =	673	100.0%

FIGURE 2



Contacts in the Sales and Use Tax category was just over 50% in FY 20-21. The TRA saw a dramatic decrease in the number of Reemployment Assistance Tax category which went from 31.1% in FY 19-20 to 7.0% in FY 20-21. This change in the Reemployment Assistance Tax category may be attributed to the rise in the number of unemployed individuals related to the COVID-19 pandemic in the latter part of FY 19-20.

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TRA Tax-Related Complaints Analyzed by Tax Type

As explained above, complaints are a type of contact where taxpayers or taxpayers' representative's express dissatisfaction with DOR or an employee regarding an audit, notice, assessment, collection activity, penalty, interest, customer service, etc.

Table 3 and Figure 3 below contain an analysis by tax type of the tax-related complaints handled by TRA in FY 20-21. The "Other Tax-Related Complaints" category includes a variety of other tax types administered by DOR, as well as 14 property tax complaints which TRA referred to DOR's Property Tax Oversight Program for handling.

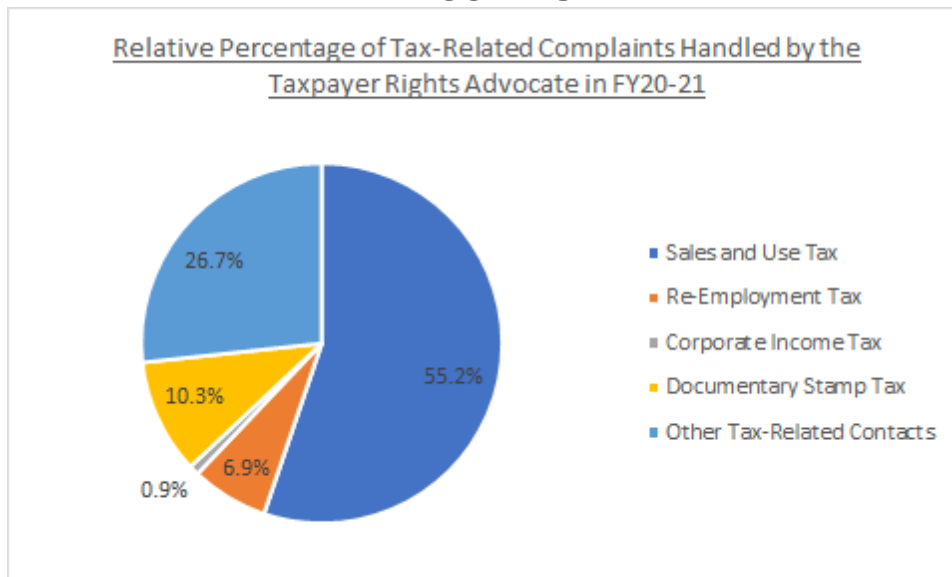
The TRA experienced a slight drop in the number of Complaints handled in FY 20-21, at 116, compared with FY 19-20, when the TRA handled 174, mainly in the Sales and Use Tax type. Sales and Use Tax type Complaints comprised of 55.2% in FY 20-21.

TABLE 3

Tax-Related Complaints Handled by the Taxpayer Rights Advocate in FY20-21		
Tax Type	Number of Contacts	Percent of Total Contacts
Sales and Use Tax	64	55.2%
Reemployment Tax	8	6.9%
Corporate Income Tax	1	0.9%
Documentary Stamp Tax	12	10.3%
Other Tax-Related Contacts	31	26.7%
Totals =	116	100.0%

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FIGURE 3



Section 3: Legislative and Administrative Matters

TRA Recommendations for Legislative Action

In 2018, the Legislature enacted a requirement for TRA to recommend legislative action as appropriate to resolve problems encountered by taxpayers. A common problem is a lack of taxpayer knowledge regarding taxpayer rights in the taxation process. There is also a need to improve DOR employees' knowledge and implementation of taxpayer rights. The opening paragraph in section 213.015, F.S., commonly known as the Florida Taxpayer's Bill of Rights, states in part: "*The rights afforded taxpayers to ensure that their privacy and property are safeguarded and protected during tax assessment and collection are available only insofar as they are implemented in other parts of the Florida Statutes or rules of the Department of Revenue.*"

However, in the Taxpayer's Bill of Rights, subsections (1), (5), (17), (19), and (21) lack any references to other statutes that implement the substantive content of these five subsections. TRA believes this statutory deficiency should be addressed to help ensure taxpayers are afforded their rights fairly and consistently in the taxation process. The statutes should contain affirmative, specific duties for the agency to perform to ensure that all taxpayers are afforded their rights under Florida law. Accordingly, TRA recommends legislation to implement, where appropriate in other parts of Florida Statutes, the following five subsections from the Taxpayer's Bill of Rights.

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- (1) *The right to available information and prompt, accurate responses to questions and requests for tax assistance.*

- (5) *The right to obtain simple, nontechnical statements which explain the reason for audit selection and the procedures, remedies, and rights available during audit, appeals, and collection proceedings, including, but not limited to, the rights pursuant to this Taxpayer's Bill of Rights and the right to be provided with a narrative description which explains the basis of audit changes, proposed assessments, assessments, and denials of refunds; identifies any amount of tax, interest, or penalty due; and states the consequences of the taxpayer's failure to comply with the notice.*

- (17) *The right to have the department actively investigate and, where appropriate, implement automated or electronic business methods that enable the department to more efficiently and effectively administer the revenue sources of this state at less cost and effort for taxpayers.*

- (19) *The right to participate in free educational activities that help the taxpayer successfully comply with the revenue laws of this state.*

- (21) *The right to fair and consistent application of the tax laws of this state by the Department of Revenue.*

The impact of this recommended legislation will be to improve the implementation of the Florida Taxpayer's Bill of Rights. Notably, three of these subsections are among the top ten subsections involved in tax related contacts handled by the TRA in FY 20-21, as highlighted in purple in Table 4 below. Please note the number of provisions tracked within the TRA tracking system are significantly higher than the number of overall contacts to the TRA because the tracking system was designed to capture more than one of the statutory provisions in the Taxpayers' Bill of Rights, if more than one of the provisions is involved in a particular contact. Section 213.015(1), Fla. Stat., is the highest percent of requested taxpayer assistance.

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TABLE 4

Taxpayer Bill of Rights Statutes Relating to Contacts Handled by the Taxpayer Rights Advocate in FY20-21		
Brief Summaries of Statues in the Taxpayer Bill of Rights	Number of Contacts	Percent of Total Contacts
213.015(1): Right to available information and prompt, accurate responses and requests for tax assistance.	422	62.70%
213.015(8): Right to appeal, through formal or informal proceedings, any adverse decisions relating to determinations in the audit or collections processes, etc.	143	21.25%
213.015(10): Right, under certain conditions, to procedures for retirement of tax obligations by installment payment agreements, etc.	21	3.12%
213.015(3): Right to be represented by qualified persons; to have procedural safeguards; be treated in a professionally by DOR staff; have audit activities conducted at a reasonable time and place; etc.	8	1.19%
213.015(21): Right to fair and consistent application of state tax laws by DOR.	6	0.89%
213.015(6): Right to be informed of certain impending collection actions and to received up to at least 30 days' notice to pay the liability or seek further review.	6	0.89%
213.015(17): Right for DOR to implement automated or electronic business methods efficiently and effectively (such as E-filing) at less cost and effort for taxpayers.	3	0.45%
213.015(2): Right to request assistance from a taxpayers' rights advocate for facilitation the resolution of taxpayer issues not resolved through the normal administrative channels.	3	0.30%
213.015(9): The right to have the taxpayer's tax information kept confidential.	2	0.45%
213.015(4): The right to freedom from liability attributable to any taxes administered by DOR when the taxpayer reasonably relies upon binding written advice furnished by the Department.	2	0.30%
213.015(16): Right to have the Department actively identify and review multistate proposals.	1	0.15%
213.015(19): The right to participate in free educational activities that help with taxpayer compliance.	1	0.15%
213.015(7): Right to have all other collection actions attempted before a jeopardy assessment; have an immediate review of the jeopardy assessment.	1	0.15%
213.015(11): Right to procedures for requesting cancellation, release, or modification of liens filed in error by the DOR.	1	0.15%
213.015(5): Right to simple, nontechnical statements explaining reason for audit selection and the procedures, remedies, and rights available during audit, appeals, and collection proceedings, etc.	1	0.15%
213.015(18): Right to waiver of interest that accrues as the result of errors or delays caused by DOR delay.	1	0.15%
Other	83	12.33%
Totals =	705	100.0%

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In February 2020, the DOR's Executive Director requested that the TRA provide a preliminary draft of the TRA Annual Report before October 15 of each year. The TRA understands the request and agrees that providing the DOR an opportunity to respond before the issuance of the Annual Report would make for a more cohesive report. The TRA believes that the plain language of s. 20.21(3), F.S., should provide the expressed statutory authority needed to provide for a preliminary draft. The TRA proposed the following Legislative Proposal in February 2020, and again proposes for the second time the following:

In subsection 20.21(3), F.S., a paragraph (d) would be created, as follows.

(d) On or before October 15 of each year, the taxpayer rights advocate shall provide to the office of the executive director a preliminary and tentative list of administrative issues and recommendations which may be included in the taxpayer rights advocate's annual report. Within 30 calendar days of receipt thereof, the office of the executive director shall provide to the taxpayer rights advocate a written response to such issues and recommendations. The response and the taxpayer rights advocate's answer to the response shall be included in the taxpayer rights advocate's final report.

DOR's Executive Director committed to responding to any preliminary draft within 30 calendar days as prescribed in the proposed legislation. On October 15, 2021, the TRA provided the CIG and the DOR's Executive Director with a preliminary draft of the TRA's Annual Report for Fiscal Year 2020-2021. For some unknown reason the Department was unable to meet the 30-day commitment and provided a late response on November 16, 2021. See Addendum "B" to this report.

None of the TRA's Legislative Recommendations have ever been addressed or accepted by the DOR. It is interesting to note that the Department responds to the TRA's Administrative recommendations, but none of the TRA's Legislative Recommendations. See Addendum "B" the DOR's Response to the TRA's preliminary draft of this Annual Report.

Administrative Issues and TRA Recommended Actions

Described below are administrative issues encountered by taxpayers, along with TRA's recommended administrative solutions. These issues and recommendations were first presented in TRA's Annual Report for FY 17-18 issued on December 31, 2018; and were also subsequently addressed in the TRA's Annual Report for FY 18-19, issued on December 31, 2019. The DOR responded to the TRA's Annual Report for FY 17-18, in October 2019; and, DOR responded to the TRA's Annual Report for FY 18-19, on July 1, 2020. On October 9, 2020, the TRA provided to DOR Executive management a copy of the preliminary draft of the TRA Annual Report for FY19-20. On November 4, 2020, the

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TRA received the DOR's response. The TRA identifies the following ten Administrative Issues:

1. Administrative Issue: During the collections process after an audit, if the taxpayer provides a statement of facts alleging that DOR is in error, collections staff may, but are not required to, perform a discretionary evaluation to ensure DOR is only seeking to collect taxes that are owed. TRA often receives contacts regarding these reviews from taxpayers in the collections process. The objectivity of some of these reviews needs improvement and some of the written reviews need more descriptive information.

TRA Recommendation: This issue has been ongoing for more than two decades. In 1999, the Deputy General Counsel, provided a legal memorandum on how to address these issues. From 1999 until 2015, these reviews were conducted by a Tax Conferee in Technical Assistance and Dispute Resolution (TADR). Although these types of reviews were supposed to be extraordinary and rare, the process became overburdened, and there was a substantial backlog in handling these matters in TADR. In 2015, GTA assigned a Governmental Analyst in their Field Operations to conduct these reviews. DOR should ensure that these discretionary reviews are conducted in an impartial, objective manner by persons with training and skill in evaluating the relevance and sufficiency of evidence and making written findings thereon that provide succinct explanations and reasons for the determination.

This issue continues. The post-audit review process occurs when a taxpayer account is in the collections process, the appeals period has expired, and the taxpayer has contacted DOR collections staff who refer the matter to collections or audit staff for review of the taxpayer's information. If collections staff sends the taxpayer's information to TRA, TRA reviews the documentation to prepare for any direct contact from the taxpayer given the time-sensitive nature of the collections process. During FY 18-19 and without any notice or explanation, GTA changed the process for these reviews. During FY 19-20, and in FY 20-21, there were more unilateral changes and the TRA was not copied on all of these review decisions. The number of post-audit reviews has been decreasing since FY 17-18, when there were over 350 reviews; FY 18-19, there were 247; and in FY 19-20 there were 199 reviews, and the TRA only received 65. In FY 20-21, GTA conducted 172 post audit reviews and the TRA only received 70 of the review requests. Apparently, some of these reviews are now done by local office managers and staff. TRA recommends that these reviews be done by persons independent of the audit and collections processes. These reviews should be viewed as a quality assurance step to minimize the possibility of collections error. TRA again recommends improvements on this issue.

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DOR's Response in Summary (complete response can be found in Addendum "B"): In FY 2020-21, the Department launched a cross functional team dedicated to improving tax compliance. This is an area that is currently under review, including the Department's authority to conduct post-audit reviews after an assessment has become final.

TRA's Reply: TRA appreciates that the Department is reviewing this issue, which has been on-going for more than 2 decades. TRA recommends that this cross functional team review and address this issue.

2. Administrative Issue: Taxpayers often lack knowledge of the taxation process and lack knowledge of the consequences of not meeting deadlines, not responding to notices, and otherwise not taking responsive actions during the taxation process. TRA often receives contacts from taxpayers who inquire about collection activities taken by DOR against the taxpayer, such as filing tax warrants or freezing bank accounts.

TRA Recommendation: DOR should continue efforts to educate taxpayers on the taxation process and ensure that each notice sent to taxpayers explains these consequences. Also, DOR notices sent to taxpayers should provide contact information for a DOR representative who is knowledgeable about the tax type and notice type sent to the taxpayer and the potential consequences the taxpayer could face for not responding or for noncompliance in the taxation process. TRA recognizes that GTA has a high volume of work activity and that efficiency is a consideration. TRA again recommends improvement on this issue.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department recognizes this recommendation to improve communication with taxpayers, and to add a specific contact representative to each notice. All notices sent to taxpayers during the audit process are currently under review, as part of an ongoing compliance improvement project.

TRA's Reply: TRA appreciates that the Department recognizes this issue as an area for improvement. In responses to prior TRA Annual Reports, the TRA was advised that this issue would be addressed in the implementation of a new Department imaging system. The TRA will continue to monitor this area until improvement can be demonstrated.

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3. Administrative Issue: Taxpayers are often not aware of the provisions of the Taxpayer's Bill of Rights, including the right to procedures for the retirement of tax obligations by installment payment agreements which may be available under certain conditions. TRA often receives calls from audited taxpayers with questions about the audit including the question of why the taxpayer is being audited.

TRA Recommendation: DOR should provide education and training for taxpayers on the Taxpayer's Bill of Rights and should require that a copy of the Taxpayer's Bill of Rights is provided and explained to each audited taxpayer both at the beginning and end of each audit. Taxpayers should also receive an explanation of why they are being audited. TRA again recommends improvements on this issue.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department provides the Taxpayers' Bill of Rights to taxpayers at the initiation of an audit and at the conclusion. All notices sent to taxpayers during the audit process are currently under review, as part of an ongoing compliance improvement project.

TRA's Reply: TRA appreciates that the Department recognizes this issue as an area for improvement. The TRA will continue to monitor this area until improvement can be demonstrated.

4. Administrative Issue: Many taxpayers are not aware of DOR's authority, under certain factual situations and where consistent with law, to compromise and settle tax, interest, penalties, or fees. This authority has been delegated in writing to certain positions within DOR, but this authority does not appear to be exercised as delegated. Coincidentally, and totally independently from the TRA, an Audit Oversight Task team was formed during FY 20-21. This team is led by one of the Department's Deputy Executive Directors. One of the sub-teams of this Oversight Team also identified this problem issue.

TRA Recommendation: Where consistent with facts and as allowed by law, DOR should exercise its delegated authority to compromise and settle these matters. In the Addendum "A" of this report is a complete copy of the DOR Executive Director's Delegation of Authority to Settle or Comprise Tax, Penalty, Interest, and Fees. This Delegation of Authority is dated May 15, 2019. TRA again recommends improvements on this issue.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department recognizes the importance of exercising compromise authority. A

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cross functional team has been dedicated to improving tax compliance, with one of its sub-teams focused on the compromise and settlement process.

TRA's Reply: TRA appreciates that the Department recognizes this issue as an area for improvement. The Department's Executive Director periodically review and adjusts the levels and individuals that are authorized to compromise and settle tax matters. See Addendum "A". Although some individuals have been delegated to exercise compromises, these individuals, Collectors mostly, claim they do not have the authority to exercise this delegated authority. This is one of the most common issue presented to the TRA. The TRA will continue to monitor this issue, and request compromise when the facts are present that should result in the exercise of the delegated compromise authority.

5. Administrative Issue: In tax-related contacts, sometimes a taxpayer will state to TRA that he or she did not receive notice or correspondence from DOR on a matter. In researching the matter, TRA will learn that DOR records show that DOR sent the document to the taxpayer, but the system is unable to generate an original copy of the document sent to the taxpayer and TRA is unable to send to the taxpayer a copy of the original. Other times, taxpayers will state that they sent certain documents to DOR, but these documents will not be available in accessible electronic format.

TRA Recommendation: TRA recognizes that GTA has a high volume of work activity and that efficiency is a consideration. GTA has taken steps to address this issue through better technology, but this solution will take some time to implement. TRA supports GTA efforts to make improvements on this issue.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department recognizes the need to regenerate copies of notices sent and to maintain taxpayer correspondence and plans to consider this issue in its strategic agency review of IT project prioritization.

TRA's Reply: TRA appreciates that the Department recognizes this issue as an area for improvement. In responses to prior TRA Annual Reports, the TRA was advised that this issue would be addressed in the implementation of a new Department imaging system. The Department's current response now indicates that it will be a consideration of its strategic agency IT project priorities. This issue should be more than a consideration and should be implemented as indicated in prior DOR responses. This implementation would be essential to the progress and uniformity of how the Department collects taxes for the State of Florida on a continual basis; Additionally, it will enhance the Department's ability to operate

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and maintain collection activities. The Department should also consider the use of electronic alerts for tax deficiencies. The TRA will continue to monitor this area until improvement can be demonstrated.

6. Administrative Issue: This problem is specific to the documentary stamp tax. Many taxpayers are not aware that certain documents involving real property transfers are subject to the excise tax on documents. Because of the operation of this tax and the associated time lags involved, it may be a few years (usually one to three) before the taxpayer learns the Department has audited the transfer instrument and made a tax assessment. In some cases, the taxpayer becomes aware of the tax liability when the taxpayer learns that a DOR tax lien appears on the taxpayer's credit report. These types of taxpayers are among the most upset customers served by TRA.

TRA Recommendation: DOR should expand efforts to provide information and education for Clerk of Court staff, lenders, and those involved in real estate closings including agents and attorneys. If not already done, DOR should develop an outreach plan to provide information and education to make these persons and taxpayers aware of the conditions under which this tax would be due. TRA again recommends improvements on this issue.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department recognizes this recommendation and provided training to Clerks of Courts, and to Department staff. The Department is also developing two new tax tutorials, one for individuals, and one geared toward Clerks of Courts.

TRA's Reply: The TRA was glad to hear that some training had been provided to Clerk of Courts and to Department staff. When the TRA requested information about which County staff attended, and the Department staff that received the training, the Department could only produce a list of ten employees for the Taxpayers Services section of GTA, and no list of attendees from County staff. The TRA is encouraged by the two tutorials that are being developed for individuals and for the Clerks of Courts. The TRA hereby requests a copy of the training and or link to the two new tutorials.

7. Administrative Issue: This problem is specific to the documentary stamp tax. Often documentary stamp taxpayers do not receive notices and collections letters about a documentary stamp tax liability. This is because DOR sends notices and correspondence to the last known address of the taxpayer which may be the address of the transferred property. A common scenario is that the taxpayer no

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longer lives at the property and, thus, does not receive the DOR notices and correspondence. Sometimes, the taxpayer becomes aware of the tax liability when the taxpayer learns that a DOR tax lien appears on the taxpayer's credit report. The taxpayer can have difficulty obtaining a copy of DOR's tax warrant against the taxpayer because DOR does not maintain a publicly accessible database of its tax warrants.

TRA Recommendation: DOR should develop a plan to better identify contact information for these types of taxpayers so that the taxpayer can receive notices and correspondence regarding the tax liability. TRA recommends that the website contains the perfect address software which would provide a valid address for notification purposes. TRA also requests that the website offers more details as it relates to potential liabilities. Also, DOR should create a public database of its tax warrants available to taxpayers with sufficient information to find and obtain a copy of the tax warrant. TRA again recommends improvements on this issue.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department utilizes a third-party validation system to ensure proper delivery to a taxpayer. The Department is developing two new tutorials on documentary stamp tax. The Department files liens with the court and are available online to the public. The Department recognizes the need to create a public database of tax warrants and is considering this issue with its review of IT project priorities.

TRA's Reply: The Department does utilize a third-party address validation system called "Perfect Address", which is used for registration purposes, but not for documentary stamp tax warrant purposes. The TRA recommends that "Perfect Address" be utilized for documentary stamp tax purposes. The TRA is encouraged by the two tutorials that are being developed for individuals and for the Clerks of Courts. The Department indicates that it is considering a public database for documentary stamp tax with its review of IT project priorities. The Department maintains a public database for Tax Warrants filed in Sales and Use Tax (SUT), and the TRA is merely recommending that the database utilized for SUT be expanded to include documentary stamp tax warrants. In the Department's response to this issue in the TRA's Annual Report for FY 19-20, the Department indicated that it was too costly to maintain a public database for documentary stamp tax warrants. The TRA requested the cost estimates from the Department and has yet to receive any response.

8. Administrative Issue: This problem is specific to the reemployment assistance tax. The rate for the reemployment assistance tax may change from year-to-year.

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Taxpayers are sometimes not aware of this year-to-year change and, as a result, use an incorrect rate in calculating their tax for a particular year.

TRA Recommendation: TRA recognizes that GTA has made improvements on this issue and will continue to monitor any taxpayer contacts on this issue. It is the TRA's understanding that this issue will be addressed in the GTA imaging project and taxpayer portal. TRA recommends that the department offer a rate hotline so that taxpayers can verify their rates online or by phone. The DOR should also offer every effort to educate the taxpayer by adding verbiage to the website or the notice that indicates penalties of \$25 will occur every 30 calendar days or fraction thereof, on unfiled Reemployment tax returns. This issue will continue to be monitored by the TRA.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department recognizes the importance of making reemployment tax rates readily available to employers and has taken several actions to improve this process including web page links.

TRA's Reply: The TRA recognizes that efforts have been made on this issue. The TRA anticipates that this will continue to improve with the full implementation of the Department's imaging system and taxpayer online portal. This issue will continue to be monitored by the TRA.

9. Administrative Issue: The TRA's office received 341 "Requests" during FY 20-21, which was a 15% increase over FY 19-20. 52% of these Requests involved federal tax matters, including personal income taxes, COVID-19 stimulus payments, and child tax credit payments. The number of contacts related to federal taxes was approximately 26% of all contacts received by TRA. The manner of contact concerning federal taxes, which the TRA has no authority, was primarily by phone or e-mail.

TRA Recommendation: DOR should add clarifying disclaimer information on the webpage, as well as on the TRA's webpage; TRA interactive voice protocol message should also include disclaimer information regarding federal matters; and that a central email address be created with access granted to all TRA staff.

DOR's Response in Summary (complete response can be found in Addendum "B"): To assist taxpayers with IRS related inquiries, the Department provides both a link to the IRS on its internet home page, as well as in answers to FAQs. In response

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to a TRA request, the Department updated the TRA webpage, and the interactive voice response system, as well as the creation of a centralized email for the TRA.

TRA's Reply: The TRA staff realized that this was an area that TRA could help in resolving this issue. Only time will tell if these efforts and the Department's efforts reduce the number of requests associated with the IRS.

10. Administrative Issue: During FY 20-21, the TRA made 19 specific recommendations to the Department. Of those 19 recommendations, the TRA received "No Response" in 11 of those contacts; and of the other 8 recommendations, the Department only followed 4 recommendation in full. The TRA recognizes that 19 recommendations may seem minimal in the grand scheme, but when the TRA recognizes a matter that needs to be corrected during the fiscal year and a recommendation is made, some sort of responsive action needs to be taken.

TRA Recommendation: TRA recommendation is that the Department develop a communication tool to be more responsive to TRA's recommendations.

DOR's Response in Summary (complete response can be found in Addendum "B"): The Department agrees that it would be beneficial to explore enhancements to the TRA tracking system to improve communication. The GTA Program Director appointed a senior level liaison to the TRA office.

TRA's Reply: The TRA recommendation was not suggesting that the DOR explore enhancements to the TRA tracking system. The TRA's recommendation was that the Department needs to develop its own system to be responsive to TRA recommendations. In the later part of FY20-21, the Department was demanding monthly reports in a format dictated by the Department. It appeared from the report format that the Department was trying to develop a tracking tool. The dictated report format is cumbersome and time consuming on the TRA's office, but the TRA's has been providing the necessary information to complete TRA's information, which was supposed to be used by the GTA program to keep track. Although, time consuming to the TRA, in an effort of professional collegiality, the TRA has provided the report in the Department's format, but the TRA has never received any of the back-end information that was supposed to be completed by the Department. Since the TRA never received any follow-up from the Department, the TRA is not aware if the senior-level liaison was responsible or not for providing the information feed back to the TRA. To maintain independence,

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and system integrity, the Department should not have access or make any enhancements to the TRA tracking system.

Section 4: Statutes Pertaining Directly to TRA

This section contains the text of sections 20.21(3), 213.018, and 213.015, F.S., all of which pertain directly to TRA.

Section 20.21(3), F.S., Regarding the Taxpayer Rights Advocate

20.21 Department of Revenue.— There is created a Department of Revenue.

Note: *Subsections (1), (2), (4), (5), and (6) do not pertain directly to the Taxpayer Rights Advocate and are omitted here.*

(3) The position of taxpayers' rights advocate is created within the Department of Revenue. The taxpayers' rights advocate shall be appointed by the Chief Inspector General but is under the general supervision of the executive director for administrative purposes. The taxpayers' rights advocate must report to the Chief Inspector General and may be removed from office only by the Chief Inspector General. The responsibilities of the taxpayers' rights advocate include, but are not limited to, the following:

(a) Facilitating the resolution of taxpayer complaints and problems which have not been resolved through normal administrative channels within the department, including any taxpayer complaints regarding unsatisfactory treatment of taxpayers by employees of the department.

(b) Issuing a stay action on behalf of a taxpayer who has suffered or is about to suffer irreparable loss as a result of action by the department.

(c) On or before January 1 of each year, the taxpayers' rights advocate shall furnish to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Chief Inspector General a report that must include the following:

1. The objectives of the taxpayers' rights advocate for the upcoming fiscal year.
2. The number of complaints filed in the previous fiscal year.
3. A summary of resolutions or outstanding issues from the previous fiscal year report.

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4. A summary of the most common problems encountered by taxpayers, including a description of the nature of the problems, and the number of complaints for each such problem.
5. The initiatives the taxpayers' rights advocate has taken or is planning to take to improve taxpayer services and the department's responsiveness.
6. Recommendations for administrative or legislative action as appropriate to resolve problems encountered by taxpayers.
7. Other information as the taxpayers' rights advocate may deem advisable.

The report must contain a complete and substantive analysis in addition to statistical information.

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Section 213.018, F.S., Regarding the Taxpayers' Rights Advocate

The text of section 213.018, F.S. (2018), is presented below in its entirety.

213.018 Taxpayer problem resolution program; taxpayer assistance orders.— A taxpayer problem resolution program shall be available to taxpayers to facilitate the prompt review and resolution of taxpayer complaints and problems which have not been addressed or remedied through normal administrative proceedings or operational procedures and to assure that taxpayer rights are safeguarded and protected during tax determination and collection processes.

(1) The Chief Inspector General shall appoint a taxpayers' rights advocate, and the executive director of the Department of Revenue shall designate adequate staff to administer the taxpayer problem resolution program.

(2) The taxpayers' rights advocate may, with or without a formal written request from the taxpayer, issue a taxpayer assistance order that suspends or stays actions or proposed actions by the department when a taxpayer suffers or is about to suffer a significant hardship as a result of a tax determination, collection, or enforcement process.

(a) Relief or remedy may be granted by a taxpayer assistance order only as an extraordinary measure. The process shall not be used to contest the merits of a tax liability or as a substitute for informal protest procedures or normal administrative or judicial proceedings for the review of a tax assessment or collection action or denial of refund.

(b) The running of the period of limitations on assessment shall be tolled from the date of a taxpayer's request for a taxpayer assistance order until either the date the request is denied or the date specified in the taxpayer assistance order, whichever is applicable.

Section 213.015, F.S., Regarding the Taxpayer's Bill of Rights

The text of section 213.015, F.S. (2018), is presented below in its entirety.

213.015 Taxpayer rights.— There is created a Florida Taxpayer's Bill of Rights to guarantee that the rights, privacy, and property of Florida taxpayers are adequately safeguarded and protected during tax assessment, collection, and enforcement processes administered under the revenue laws of this state. The Taxpayer's Bill of Rights compiles, in one document, brief but comprehensive statements which explain, in simple, nontechnical terms, the rights and obligations of the Department of Revenue and taxpayers. Section 192.0105 provides additional rights afforded to payors of property taxes and assessments. The rights afforded taxpayers to ensure that their privacy and

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property are safeguarded and protected during tax assessment and collection are available only insofar as they are implemented in other parts of the Florida Statutes or rules of the Department of Revenue. The rights so guaranteed Florida taxpayers in the Florida Statutes and the departmental rules are:

(1) The right to available information and prompt, accurate responses to questions and requests for tax assistance.

(2) The right to request assistance from a taxpayers' rights advocate of the department, who shall be responsible for facilitating the resolution of taxpayer complaints and problems not resolved through the normal administrative channels within the department, including any taxpayer complaints regarding unsatisfactory treatment by department employees. The taxpayers' rights advocate may issue a stay order if a taxpayer has suffered or is about to suffer irreparable loss as a result of an action by the department (see ss. 20.21(3) and 213.018).

(3) The right to be represented or advised by counsel or other qualified representatives at any time in administrative interactions with the department, the right to procedural safeguards with respect to recording of interviews during tax determination or collection processes conducted by the department, the right to be treated in a professional manner by department personnel, and the right to have audits, inspections of records, and interviews conducted at a reasonable time and place except in criminal and internal investigations (see ss. 198.06, 199.218, 201.11(1), 203.02, 206.14, 211.125(3), 211.33(3), 212.0305(3), 212.12(5)(a), (6)(a), and (13), 212.13(5), 213.05, 213.21(1)(a) and (c), and 213.34).

(4) The right to freedom from penalty attributable to any taxes administered by the Department of Revenue; freedom from payment of uncollected sales, use, motor or diesel fuel, or other transaction-based excise taxes administered by the Department of Revenue; and to abatement of interest attributable to any taxes administered by the Department of Revenue, when the taxpayer reasonably relies upon binding written advice furnished to the taxpayer by the department through authorized representatives in response to the taxpayer's specific written request which provided adequate and accurate information (see ss. 120.565 and 213.22).

(5) The right to obtain simple, nontechnical statements which explain the reason for audit selection and the procedures, remedies, and rights available during audit, appeals, and collection proceedings, including, but not limited to, the rights pursuant to this Taxpayer's Bill of Rights and the right to be provided with a narrative description which explains the basis of audit changes, proposed assessments, assessments, and denials of refunds; identifies any amount of tax, interest, or penalty due; and states the consequences of the taxpayer's failure to comply with the notice.

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(6) The right to be informed of impending collection actions which require sale or seizure of property or freezing of assets, except jeopardy assessments, and the right to at least 30 days' notice in which to pay the liability or seek further review (see ss. 198.20, 199.262, 201.16, 206.075, 206.24, 211.125(5), 212.03(5), 212.0305(3)(j), 212.04(7), 212.14(1), 213.73(3), 213.731, and 220.739).

(7) The right to have all other collection actions attempted before a jeopardy assessment unless delay will endanger collection and, after a jeopardy assessment, the right to have an immediate review of the jeopardy assessment (see ss. 212.15, 213.73(3), 213.732, and 220.719(2)).

(8) The right to seek review, through formal or informal proceedings, of any adverse decisions relating to determinations in the audit or collections processes and the right to seek a reasonable administrative stay of enforcement actions while the taxpayer pursues other administrative remedies available under Florida law (see ss. 120.80(14)(b), 213.21(1), 220.717, and 220.719(2)).

(9) The right to have the taxpayer's tax information kept confidential unless otherwise specified by law (see s. 213.053).

(10) The right to procedures for retirement of tax obligations by installment payment agreements which recognize both the taxpayer's financial condition and the best interests of the state, provided that the taxpayer gives accurate, current information and meets all other tax obligations on schedule (see s. 213.21(4)).

(11) The right to procedures for requesting cancellation, release, or modification of liens filed by the department and for requesting that any lien which is filed in error be so noted on the lien cancellation filed by the department, in public notice, and in notice to any credit agency at the taxpayer's request (see ss. 198.22, 199.262, 212.15(4), 213.733, and 220.819).

(12) The right to procedures which assure that the individual employees of the department are not paid, evaluated, or promoted on the basis of the amount of assessments or collections from taxpayers (see s. 213.30(2)).

(13) The right to an action at law within the limitations of s. 768.28, relating to sovereign immunity, to recover damages against the state or the Department of Revenue for injury caused by the wrongful or negligent act or omission of a department officer or employee (see s. 768.28).

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(14) The right of the taxpayer or the department, as the prevailing party in a judicial or administrative action brought or maintained without the support of justiciable issues of fact or law, to recover all costs of the administrative or judicial action, including reasonable attorney's fees, and of the department and taxpayer to settle such claims through negotiations (see ss. 57.105 and 57.111).

(15) The right to have the department begin and complete its audits in a timely and expeditious manner after notification of intent to audit (see s. 95.091).

(16) The right to have the department actively identify and review multistate proposals that offer more efficient and effective methods for administering the revenue sources of this state (see s. 213.256).

(17) The right to have the department actively investigate and, where appropriate, implement automated or electronic business methods that enable the department to more efficiently and effectively administer the revenue sources of this state at less cost and effort for taxpayers.

(18) The right to waiver of interest that accrues as the result of errors or delays caused by a department employee (see s. 213.21(3)).

(19) The right to participate in free educational activities that help the taxpayer successfully comply with the revenue laws of this state.

(20) The right to pay a reasonable fine or percentage of tax, whichever is less, to reinstate an exemption from any tax which a taxpayer would have been entitled to receive but which was lost because the taxpayer failed to properly register as a tax dealer in this state or obtain the necessary certificates entitling the taxpayer to the exemption (see s. 212.07(9)).

(21) The right to fair and consistent application of the tax laws of this state by the Department of Revenue.

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Addenda

Addendum "A"

DOR Delegation of Authority to Settle or Compromise Tax, Penalty, Interest, or Fees



Florida Department of Revenue
Office of the Executive Director

Jim Zingale
Executive Director

5050 West Tennessee Street, Tallahassee, FL 32399

floridarevenue.com

DA-40

DELEGATION OF AUTHORITY TO SETTLE OR COMPROMISE TAX, PENALTY, INTEREST, AND FEES

I hereby delegate to the positions identified in Appendix A, the authority to settle or compromise a taxpayer's liability for any tax, penalty, interest or fee assessed under any of the chapters specified in subsection 72.011(1), Florida Statutes. This delegation is made in accordance with subsections 213.21(2) and (3), Florida Statutes, and Rule 12-13.004, Florida Administrative Code.

The authority granted herein shall not be re-delegated.

This delegation is duly executed pursuant to the authority granted in Rule 12-3.007, Florida Administrative Code, and remains in effect until specifically rescinded in writing.

Dated this 15th day of May, 2019, in Tallahassee, Leon County, Florida.



Jim Zingale
Executive Director
Florida Department of Revenue

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APPENDIX A DELEGATION OF AUTHORITY TO SETTLE OR COMPROMISE TAX, PENALTY, INTEREST, AND FEES

I. All Cases Except Those in Litigation

Executive Office

Position	Tax	Interest	Penalty
Deputy Executive Director	\$500,000	Any Amount	Any Amount

Office of the General Counsel

Position	Tax	Interest	Penalty
General Counsel	\$500,000	Any Amount	Any Amount
Deputy General Counsel	\$500,000	Any Amount	Any Amount

II. Cases in Litigation

Executive Office

Position	Tax	Interest	Penalty
Deputy Executive Director	Any Amount	Any Amount	Any Amount

Office of the General Counsel

Position	Tax	Interest	Penalty
General Counsel	Any Amount	Any Amount	Any Amount
Deputy General Counsel	Any Amount	Any Amount	Any Amount
Chief Assistant General Counsel	\$200,000	\$150,000	\$250,000
Executive Senior Attorney	\$100,000	\$75,000	\$125,000
Assistant General Counsel	\$100,000	\$75,000	\$125,000

III. Cases in Protest

Office of the General Counsel

Position	Tax	Interest	Penalty
Chief Assistant General Counsel	\$200,000	\$125,000	Any Amount
Executive Senior Attorney	\$100,000	\$75,000	\$250,000
Assistant General Counsel	\$100,000	\$75,000	\$250,000

Office of Technical Assistance and Dispute Resolution

Position	Tax	Interest	Penalty
Director	\$200,000	\$125,000	Any Amount
Deputy Director	\$200,000	\$125,000	Any Amount
Revenue Program Administrators	\$75,000	\$62,500	\$250,000

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General Tax Administration

Position	Tax	Interest	Penalty
Program Director	\$200,000	\$125,000	Any Amount
Deputy Program Director	\$200,000	\$125,000	Any Amount
Revenue Program Administrators	\$75,000	\$62,500	\$250,000
Senior Tax Audit Administrators	0	\$62,500	\$250,000
Service Center Managers	0	\$62,500	\$250,000
Tax Audit Supervisors	0	\$1,250	\$75,000
Revenue Tax Audit Supervisors	0	\$1,250	\$37,500
Tax Specialists	0	0	\$12,500
Revenue Specialists	0	0	\$3,750

General Tax Administration – Taxpayer Services Process

Position	Tax	Interest	Penalty
Process Manager	\$75,000	\$62,500	\$250,000
Revenue Program Administrators	\$2,500	\$2,500	\$75,000
Revenue Administrators	\$2,500	\$2,500	\$75,000
Tax Specialist Administrators	\$2,500	\$2,500	\$75,000

IV. Cases in Collection

Office of the General Counsel

Position	Tax	Interest	Penalty
Chief Assistant General Counsel	\$200,000	\$100,000	Any Amount
Assistant General Counsel	\$50,000	\$50,000	\$75,000

General Tax Administration

Position	Tax	Interest	Penalty
Program Director	\$200,000	\$125,000	Any Amount
Deputy Program Director	\$200,000	\$125,000	Any Amount
Revenue Program Administrators	\$62,500	\$62,500	\$250,000
Service Center Managers	\$5,000	\$5,000	\$100,000
Revenue Administrator	\$2,500	\$2,500	\$75,000
Tax Specialists	\$1,250	\$1,250	\$12,500
Revenue Specialists	0	0	\$3,750

General Tax Administration – Taxpayer Services Process

Position	Tax	Interest	Penalty
Process Manager	\$62,500	\$62,500	\$250,000
Revenue Program Administrators	\$2,500	\$2,500	\$75,000
Revenue Administrators	\$2,500	\$2,500	\$75,000

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Tax Specialist Administrators	\$2,500	\$2,500	\$75,000
Tax Law Specialists	\$1,250	\$1,250	\$12,500
Senior Tax Specialists	\$1,250	\$1,250	\$12,500
Operations Analysts	0	0	\$12,500
Tax Specialists	0	0	\$12,500
Revenue Specialists	0	0	\$3,750

V. Cases in Criminal Investigations – Investigations Support Unit

General Tax Administration

Position	Tax	Interest	Penalty
Revenue Program Administrator	\$62,500	\$62,500	\$250,000
Senior Tax Specialist	\$62,500	\$62,500	\$250,000
Tax Specialist	\$62,500	\$62,500	\$250,000

VI. Cases in Audit

General Tax Administration

Position	Tax	Interest	Penalty
Program Director	\$200,000	\$125,000	Any Amount
Deputy Program Director	\$200,000	\$125,000	Any Amount
Revenue Program Administrators	\$62,500	\$62,500	\$250,000
Senior Tax Audit Administrators	\$62,500	\$62,500	\$250,000
Service Center Manager (Out of state)	\$1,250	\$1,250	\$75,000
Tax Audit Supervisors	0	0	\$37,500
Revenue Tax Audit Supervisors	0	0	\$37,500

VII. Refunds

General Tax Administration

Position	Tax	Interest	Penalty
Program Director	0	0	Any Amount
Deputy Program Director	0	0	Any Amount

General Tax Administration – Refund Process

Position	Tax	Interest	Penalty
Program Administrator	0	0	\$250,000
Revenue Program Administrators	0	0	\$100,000
Tax Audit Supervisors	0	0	\$37,500
Revenue Tax Audit Supervisors	0	0	\$37,500

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Addendum "B"

DOR Response to preliminary draft of TRA's Annual Report for FY 2020 – 2021



Florida Department of Revenue
Office of the Executive Director

Jim Zingale
Executive Director

5050 West Tennessee Street, Tallahassee, FL 32399

floridarevenue.com

November 16, 2021

Patrick Loebig
Taxpayers' Rights Advocate
Office of Taxpayers' Rights Advocate
Transmitted via hand-delivery and email

Subject: Taxpayers' Rights Advocate's Annual Report for Fiscal Year 2020-2021

Dear Mr. Loebig:

Thank you for providing the Department of Revenue with a copy of the Taxpayers' Rights Advocate's preliminary report for fiscal year 2020-2021. The Department appreciates the opportunity to provide input into the final report and attached you will find the Department's response to the administrative issues and recommendations discussed in the preliminary report.

I would like to highlight that the preliminary report touches on some areas that the Department is currently reviewing for process improvements. In fiscal year 2020-2021, the Department launched a comprehensive review of the compliance process. Your observations and suggestions are being considered as part of this project.

The Department's mission for general tax administration is to make it easier for taxpayers to comply with the law and ensure compliance in a fair and equitable manner. We appreciate insight and feedback that assists us in achieving this mission.

Sincerely,

Jim Zingale

Enclosure

cc:: Melinda Miguel, Chief Inspector General

Taxpayers' Rights Advocate Annual Report Fiscal Year 2020-2021



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<p>1. Administrative Issue</p>	<p>During the collections process after an audit, if the taxpayer provides a statement of facts alleging that DOR is in error, collections staff may, but are not required to, perform a discretionary evaluation to ensure DOR is only seeking to collect taxes that are owed. TRA often receives contacts regarding these reviews from taxpayers in the collections process. The objectivity of some of these reviews needs improvement and some of the written reviews need more descriptive information.</p>
<p>TRA Recommendation</p>	<p>This issue has been ongoing for more than two decades. In 1999, the Deputy General Counsel, provided a legal memorandum on how to address these issues. From 1999 until 2015, these reviews were conducted by a Tax Conferee in Technical Assistance and Dispute Resolution (TADR). Although these types of reviews were supposed to be extraordinary and rare, the process became overburdened, and there was a substantial backlog in handling these matters in TADR. In 2015, GTA assigned a Governmental Analyst in their Field Operations to conduct these reviews. DOR should ensure that these discretionary reviews are conducted in an impartial, objective manner by persons with training and skill in evaluating the relevance and sufficiency of evidence and making written findings thereon that provide succinct explanations and reasons for the determination.</p> <p>This issue continues. The post-audit review process occurs when a taxpayer account is in the collections process, the appeals period has expired, and the taxpayer has contacted DOR collections staff who refer the matter to collections or audit staff for review of the taxpayer's information. If collections staff sends the taxpayer's information to TRA, TRA reviews the documentation to prepare for any direct contact from the taxpayer given the time-sensitive nature of the collections process. During FY 18-19 and without any notice or explanation, GTA changed the process for these reviews. During FY 19-20, and in FY 20-21, there were more unilateral changes and the TRA was not copied on all of these review decisions. The number of post-audit reviews has been decreasing since FY 17-18, when there were over 350 reviews; FY 18-19, there were 247; and in FY 19-20 there were 199 reviews, and the TRA only received 65. In FY 20-21, GTA conducted 172 post audit reviews and the TRA only received 70 of the review requests. Apparently, some of these reviews are now done by local office managers and staff. TRA recommends that these reviews be done by persons independent of the audit and collections processes. These reviews should be viewed as a quality assurance step to minimize the possibility of collections error. TRA again recommends improvements on this issue.</p>
<p>Department Response</p>	<p>In FY 2020-21, the Department launched an executive-led, cross-functional team, dedicated to improving tax compliance. For identified areas of improvement, strategic initiatives are being developed and prioritized. This is an area that is currently under review, including the Department's authority to conduct post-audit reviews after an assessment has become final.</p> <p>The Program Director's appointed senior-level liaison works closely with the Taxpayers' Rights Advocate to assist in the resolution of taxpayer issues and instances of perceived departmental error. Meetings between the Taxpayers' Rights Advocate, Executive staff,</p>

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	and the Program's liaison, for case and issue review and feedback, are scheduled and conducted monthly.
2. Administrative Issue	Taxpayers often lack knowledge of the taxation process and lack knowledge of the consequences of not meeting deadlines, not responding to notices, and otherwise not taking responsive actions during the taxation process. TRA often receives contacts from taxpayers who inquire about collection activities taken by DOR against the taxpayer, such as filing tax warrants or freezing bank accounts.
TRA Recommendation	DOR should continue efforts to educate taxpayers on the taxation process and ensure that each notice sent to taxpayers explains these consequences. Also, DOR notices sent to taxpayers should provide contact information for a DOR representative who is knowledgeable about the tax type and notice type sent to the taxpayer and the potential consequences the taxpayer could face for not responding or for noncompliance in the taxation process. TRA recognizes that GTA has a high volume of work activity and that efficiency is a consideration. TRA again recommends improvement on this issue.
Department Response	<p>The Department maintains tax tutorials on the Taxpayer Education webpage. These tutorials provide an overview of tax law, guides for completing tax applications, and instructions for completing and filing tax returns. The Department continues to expand this library of tutorials based on taxpayer feedback.</p> <p>The Department acknowledges the recommendation to improve communication with taxpayers, and to add a specific contact representative to each notice. All notices sent to taxpayers during the audit process are currently under review, as part of the ongoing compliance improvement project. As areas of improvement are identified, strategic initiatives are developed and prioritized.</p> <p>To help educate taxpayers and to encourage voluntary compliance, the consequences of noncompliance are stated in each notice of noncompliance the Department issues. The Department sends more than 1.4 million first notices, billings, and delinquencies to taxpayers every year. The contact information for the Department is designed to expedite handling and ultimate resolution of the taxpayer's issues. For example, given the high volume of initial notices of noncompliance, the Department's Taxpayer Services contact center ensures prompt response and efficient resolution. If the case requires additional follow-up, Taxpayer Services provides contact information for a specific Department representative. Further, the specific service center's contact information is listed on the Notice of Final Assessment. Subsequent service center contact actions provide the taxpayer with specific agent information. Additionally, Taxpayer Services staff are trained to initially reach out to the taxpayer to avoid subsequent enforcement consequences (e.g., tax warrants and bank garnishments).</p>
3. Administrative Issue	Taxpayers are often not aware of the provisions of the Taxpayer's Bill of Rights, including the right to procedures for the retirement of tax obligations by installment payment agreements which may be available under certain conditions. TRA often receives calls

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	from audited taxpayers with questions about the audit including the question of why the taxpayer is being audited.
TRA Recommendation	DOR should provide education and training for taxpayers on the Taxpayer's Bill of Rights and should require that a copy of the Taxpayer's Bill of Rights is provided and explained to each audited taxpayer both at the beginning and end of each audit. Taxpayers should also receive an explanation of why they are being audited. TRA again recommends improvements on this issue.
Department Response	<p>The Department provides and explains the Taxpayer Bill of Rights to the taxpayer at the initiation of the audit. During the audit process, taxpayers are also educated on tax issues that relate to their specific business activities. At the close of the audit, the audit staff informs the taxpayer of their options, such as payment in full, requirements for installment plan/stipulation agreements, and protest rights.</p> <p>The Department's website contains a Quick Link for the Taxpayer's Bill of Rights on the home page, as well as a resource link on GTA's landing page entitled, "What to Expect from a Florida Tax Audit." Information on this publicly available link includes:</p> <ul style="list-style-type: none"> • How Was I Selected for an Audit? • What Types of Records Will I Need to Provide? • What are My Rights During an Audit? • Communicating and Meeting Deadlines • Can I Request Technical Assistance During the Audit? • What Happens When the Audit is Complete? • Other Audit-Related Information <p>The Department embraces the importance of taxpayers having access to the Taxpayer's Bill of Rights and, as part of the normal course of business, requires General Tax Administration employees, and others, to complete annual training. The Department also performs ongoing reviews for additional opportunities to heighten awareness.</p> <p>The Department acknowledges the importance of communicating the reason for the audit to the taxpayer. This is currently done at the beginning of the audit, through the Notice of Intent to Audit. All notices sent to taxpayers during the audit process are currently under review, as part of the ongoing compliance improvement project. As areas of improvement are identified, strategic initiatives are developed and prioritized.</p>
4. Administrative Issue	Many taxpayers are not aware of DOR's authority, under certain factual situations and where consistent with law, to compromise and settle tax, interest, penalties, or fees. This authority has been delegated in writing to certain positions within DOR, but this authority does not appear to be exercised as delegated. Coincidentally, and totally independently from the TRA, an Audit Oversight Task team was formed during FY 20-21. This team is led by one of the Department's Deputy Executive Directors. One of the sub-teams of this Oversight Team also identified this problem issue.

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TRA Recommendation	Where consistent with facts and as allowed by law, DOR should exercise its delegated authority to compromise and settle these matters. In the Addendum "A" of this report is a complete copy of the DOR Executive Director's Delegation of Authority to Settle or Comprise Tax, Penalty, Interest, and Fees. This Delegation of Authority is dated May 15, 2019. TRA again recommends improvements on this issue.
Department Response	The Department recognizes the importance of exercising compromise authority at the appropriate levels. As noted, an executive-led, cross-functional team has been dedicated to improving tax compliance, with one of its sub-teams focused on the compromise and settlement process. The Department will continue to work with the Taxpayers' Rights Advocate on addressing identified gaps or areas of improvement to this process.
5. Administrative Issue	In tax-related contacts, sometimes a taxpayer will state to TRA that he or she did not receive notice or correspondence from DOR on a matter. In researching the matter, TRA will learn that DOR records show that DOR sent the document to the taxpayer, but the system is unable to generate an original copy of the document sent to the taxpayer and TRA is unable to send to the taxpayer a copy of the original. Other times, taxpayers will state that they sent certain documents to DOR, but these documents will not be available in accessible electronic format.
TRA Recommendation	TRA recognizes that GTA has a high volume of work activity and that efficiency is a consideration. GTA has taken steps to address this issue through better technology, but this solution will take some time to implement. TRA supports GTA efforts to make improvements on this issue.
Department Response	The Department acknowledges the recommendation to regenerate copies of notices sent and to maintain taxpayer correspondence received in an accessible, electronic format. The Department will continue to analyze the types of notices and correspondence to determine the feasibility of self-service document access and retrieval, and plans to consider this issue in its strategic agency review of IT project prioritization.
6. Administrative Issue	This problem is specific to the documentary stamp tax. Many taxpayers are not aware that certain documents involving real property transfers are subject to the excise tax on documents. Because of the operation of this tax and the associated time lags involved, it may be a few years (usually one to three) before the taxpayer learns the Department has audited the transfer instrument and made a tax assessment. In some cases, the taxpayer becomes aware of the tax liability when the taxpayer learns that a DOR tax lien appears on the taxpayer's credit report. These types of taxpayers are among the most upset customers served by TRA.
TRA Recommendation	DOR should expand efforts to provide information and education for Clerk of Court staff, lenders, and those involved in real estate closings including agents and attorneys. If not already done, DOR should develop an outreach plan to provide information and education to make these persons and taxpayers aware of the conditions under which this tax would be due. TRA again recommends improvements on this issue.

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Department Response	<p>The Department acknowledges the recommendation to increase documentary stamp educational efforts, and delivered presentations in the Fall of 2019, for the Clerks of Court. In 2020, presentations were also made to the GTA Taxpayer Services Process. These presentations covered:</p> <ul style="list-style-type: none"> • Documentary stamp tax on documents that transfer interest in Florida real property • Documentary stamp tax on written obligations and mortgages, liens, and other evidence of indebtedness (nonrecurring intangible tax). <p>The Department is developing two new tax tutorials, one for individuals transferring deeds, to explain the potential documentary stamp tax liability on these transactions, and one geared more to Clerks of Court. Both are expected to be released in the Summer of 2022. The Department will develop an outreach plan to make interested parties aware of the tutorials.</p>
7. Administrative Issue	<p>This problem is specific to the documentary stamp tax. Often documentary stamp taxpayers do not receive notices and collections letters about a documentary stamp tax liability. This is because DOR sends notices and correspondence to the last known address of the taxpayer which may be the address of the transferred property. A common scenario is that the taxpayer no longer lives at the property and, thus, does not receive the DOR notices and correspondence. Sometimes, the taxpayer becomes aware of the tax liability when the taxpayer learns that a DOR tax lien appears on the taxpayer's credit report. The taxpayer can have difficulty obtaining a copy of DOR's tax warrant against the taxpayer because DOR does not maintain a publicly accessible database of its tax warrants.</p>
TRA Recommendation	<p>DOR should develop a plan to better identify contact information for these types of taxpayers so that the taxpayer can receive notices and correspondence regarding the tax liability. TRA recommends that the website contains the perfect address software which would provide a valid address for notification purposes. TRA also requests that the website offers more details as it relates to potential liabilities. Also, DOR should create a public database of its tax warrants available to taxpayers with sufficient information to find and obtain a copy of the tax warrant. TRA again recommends improvements on this issue.</p>
Department Response	<p>The Department utilizes third-party validation of address and contact information to ensure proper delivery to the taxpayer receiving documentary stamp collection notices.</p> <p>As indicated above, the Department is developing two new tutorials on documentary stamp tax liability. These tutorials will be available through the Department's website.</p> <p>Currently, warrants, liens and judgment lien certificates are filed with the court, and available online to the public. However, the Department acknowledges the</p>

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	recommendation to create a public database of tax warrants, and plans to consider this issue in its strategic agency review of IT project prioritization.
8. Administrative Issue	This problem is specific to the reemployment assistance tax. The rate for the reemployment assistance tax may change from year-to-year. Taxpayers are sometimes not aware of this year-to-year change and, as a result, use an incorrect rate in calculating their tax for a particular year.
TRA Recommendation	TRA recognizes that GTA has made improvements on this issue and will continue to monitor any taxpayer contacts on this issue. It is the TRA's understanding that this issue will be addressed in the GTA imaging project and taxpayer portal. TRA recommends that the department offer a rate hotline so that taxpayers can verify their rates online or by phone. The DOR should also offer every effort to educate the taxpayer by adding verbiage to the website or the notice that indicates penalties of \$25 will occur every 30 calendar days or fraction thereof, on unfiled Reemployment tax returns. This issue will continue to be monitored by the TRA.
Department Response	<p>The Department acknowledges the importance of making reemployment tax rates readily available to employers, and currently provides multiple avenues for accessing those rates:</p> <ul style="list-style-type: none"> • Initially communicated through a personalized mailing of the Reemployment Tax Rate Notice (Form RT-20) in December, the month prior to the effective date of the rate • Prepopulated on the employer's electronically filed returns • Prepopulated on the employer's printed, hardcopy tax returns • Available anytime through the Department's File and Pay website • Available anytime by calling the Department's Taxpayer Services number (850-488-6800) and selecting the prompts to obtain the employer's reemployment tax rate. • A link to instructions for obtaining the employer's current tax rate is posted on the reemployment tax page of the Department's website (https://floridarevenue.com/taxes/Documents/viewReemploymentRates.pdf) <p>In response to the Taxpayers' Rights Advocate's recommendation, the Department has included additional links to instructions to further assist taxpayers in easily obtaining their reemployment tax rate. Links have been added to the Department's home page, and File and Pay page.</p> <p>As part of its annual review, the Department continues to work to improve reemployment tax forms and publications to ensure instructions for obtaining employers' tax rates, and penalties for non-filing are included, are easy to understand, and are prominently placed.</p>
9. Administrative Issue	The TRA's office received 341 "Requests" during FY 20-21, which was a 15% increase over FY 19-20. 52% of these Requests involved federal tax matters, including personal income taxes, COVID-19 stimulus payments, and child tax credit payments. The number of contacts related to federal taxes was approximately 26% of all contacts received by TRA.

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	The manner of contact concerning federal taxes, which the TRA has no authority, was primarily by phone or e-mail.
TRA Recommendation	DOR should add clarifying disclaimer information on the webpage, as well as on the TRA's webpage; TRA interactive voice protocol message should also include disclaimer information regarding federal matters; and that a central email address be created with access granted to all TRA staff.
Department Response	<p>To assist taxpayers with Internal Revenue Service (IRS) related inquiries, the Department provides both a link to the IRS on the internet home page, as well as answers to frequently asked questions (FAQs).</p> <p>In response to the Taxpayers' Rights Advocate's October 2021 request, the Department updated the Advocate's webpage and telephone interactive voice response system message with the recommended disclaimer language, as well as created a central email address.</p>
10. Administrative Issue	During FY 20-21, the TRA made 19 specific recommendations to the Department. Of those 19 recommendations, the TRA received "No Response" in 11 of those contacts; and of the other 8 recommendations, the Department only followed 4 recommendation in full. The TRA recognizes that 19 recommendations may seem minimal in the grand scheme, but when the TRA recognizes a matter that needs to be corrected during the fiscal year and a recommendation is made, some sort of responsive action needs to be taken.
TRA Recommendation	TRA recommendation is that the Department develop a communication tool to be more responsive to TRA's recommendations.
Department Response	<p>The Department agrees that it would be beneficial to explore enhancements to the TRA tracking system to improve communication and feedback loops and will ensure the integration of such issues into its regular interactions with the Taxpayers' Rights Advocate.</p> <p>The Program Director's appointed senior-level liaison works closely with the Taxpayers' Rights Advocate to assist in the resolution of taxpayer issues. Meetings between the Taxpayers' Rights Advocate, Executive staff, and the Program's liaison, for case and issue review and feedback, are scheduled and conducted monthly.</p>