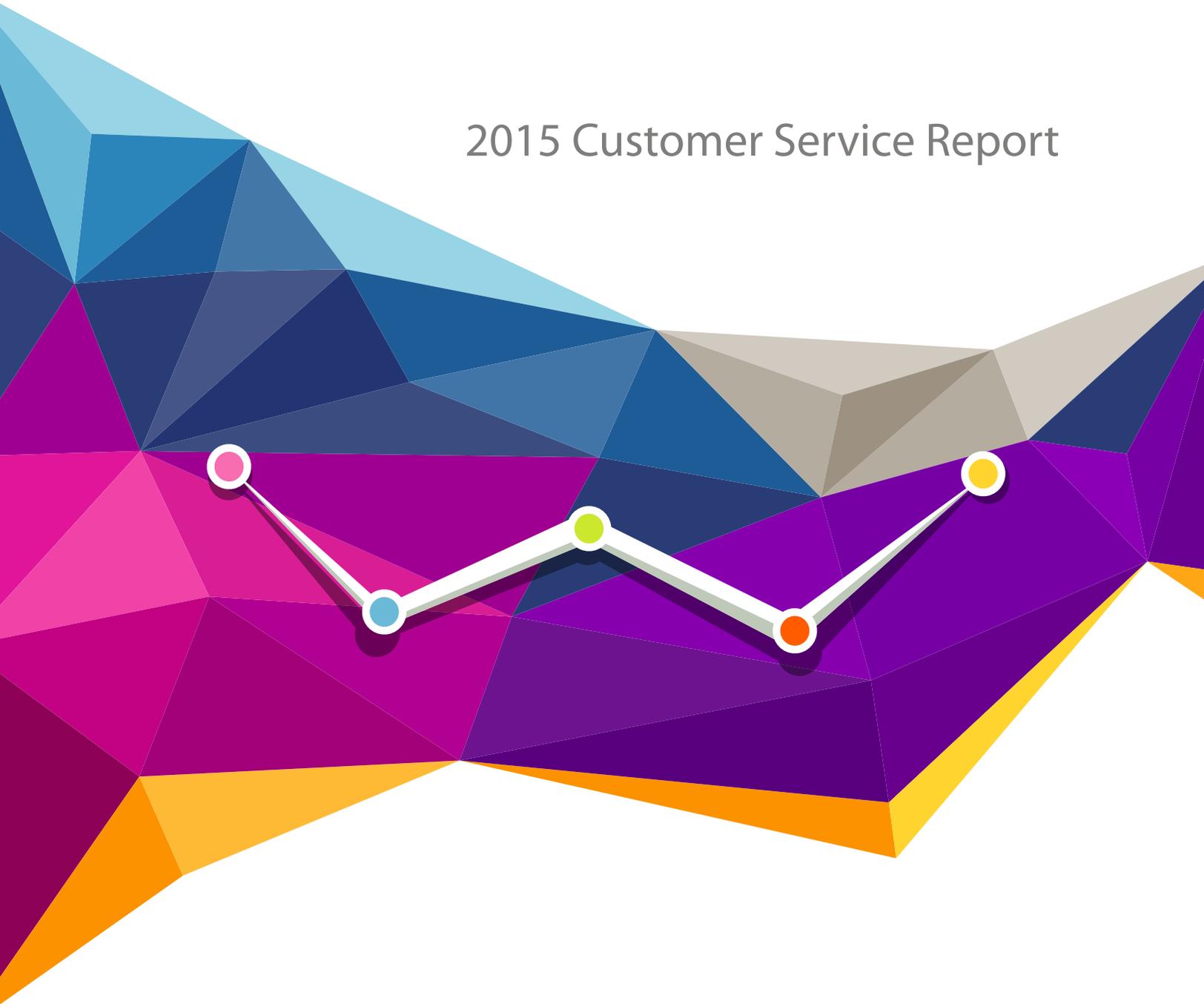


2015 Customer Service Report



Introduction

The Department of Revenue is the state's primary revenue collection agency, overseeing more than 60 different taxes and collecting the majority of the state General Fund tax revenue. The agency is dedicated to providing high-quality customer service and satisfaction. Building customer relationships and trust is essential to the work staff does to carry out our mission, reflect our values, and achieve our goals.

This report for fiscal year 2015 (through June 2015) includes a summary of methods used to gather customer feedback, highlights from division customer surveys, improvements made based on feedback, and additional improvements to come.

Gathering Feedback

The agency uses surveys and meetings to gather feedback from customers and stakeholders. Here is a sample:

- ✓ Biennial Taxpayer Satisfaction Survey
- ✓ Web survey (available at <http://dor.wa.gov>)
- ✓ Local Government Partnership meetings
- ✓ Tribal Tax Advisory Group
- ✓ Customer surveys conducted by:
 - Appeals Division
 - Taxpayer Account Administration Division
 - Compliance Division
 - Audit Division
 - Telephone Information Center, Taxpayer Services Division
 - Business Licensing Service, Taxpayer Services Division

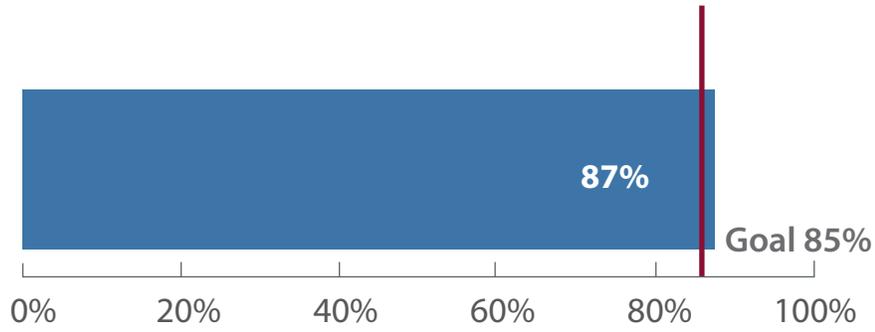
Common survey questions

The agency includes the following questions on all external surveys:

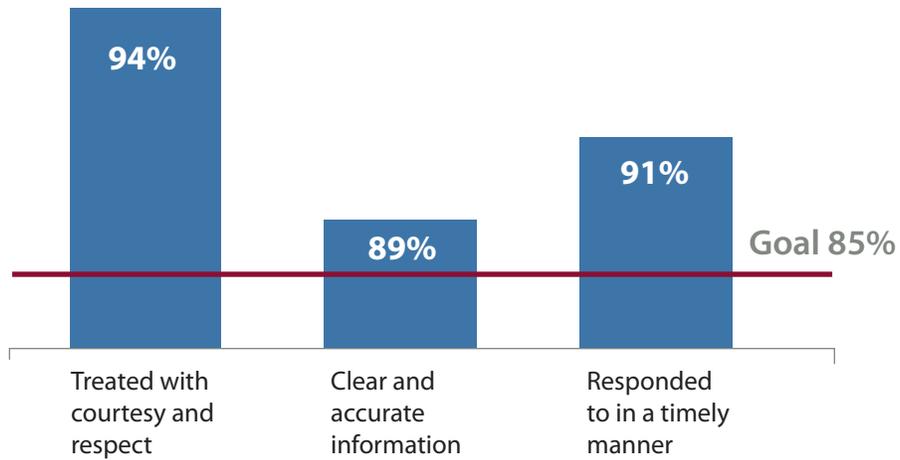
1. How satisfied are you with the overall quality of service you receive from the Department of Revenue?
2. Based on your most recent contact with a Department of Revenue employee, how much do you agree with each of the following statements?
 - I was treated with courtesy and respect.
 - I was responded to in a timely manner.
 - I was provided clear and accurate information.

For fiscal year 2015, the agency exceeded the goals set for both questions.

Overall Satisfaction with the Department of Revenue



Customer Contact with Revenue Employees



Division survey highlights

Where we're doing well

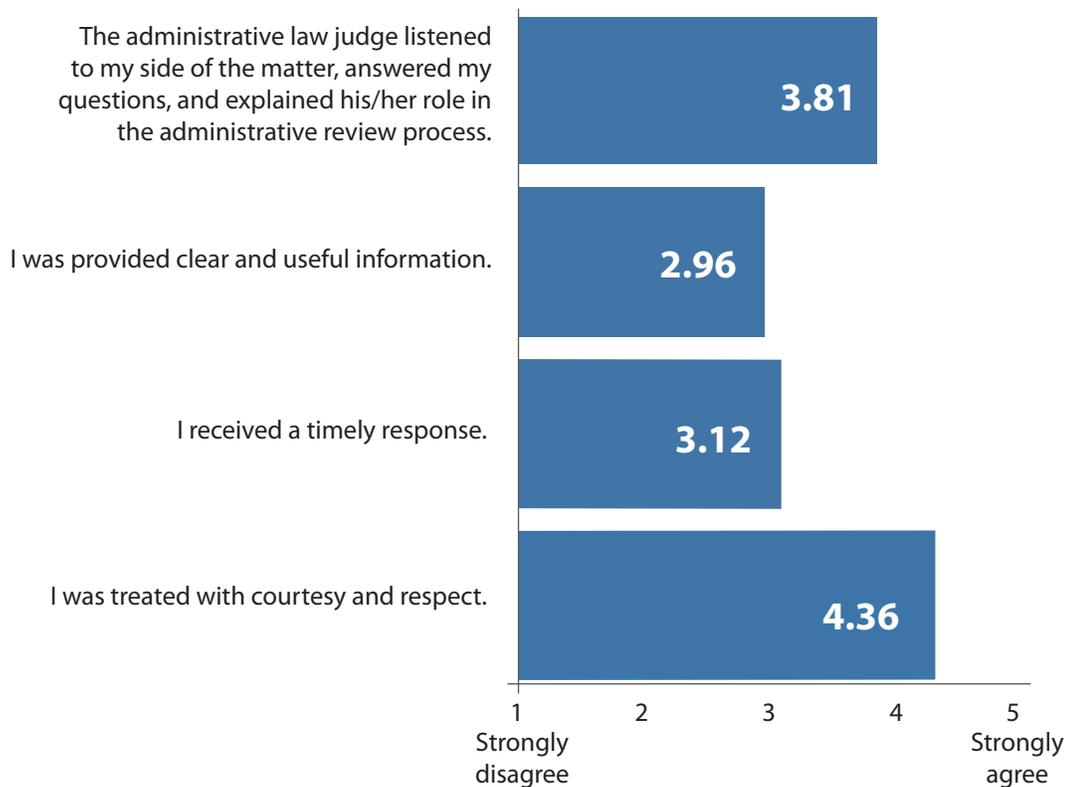
Divisions within the agency are encouraged to seek feedback from their customers. Below are highlights from surveys conducted during fiscal year 2015.

Appeals

The Appeals Division surveyed all taxpayers or their representatives who participated in Rule 100 (WAC 458-20-100) hearings between June and September 2014. They received 27 responses to their survey.

Survey highlight:

Thinking about your most recent interaction with the Department of Revenue's Appeals Division, how would you rate your experience?

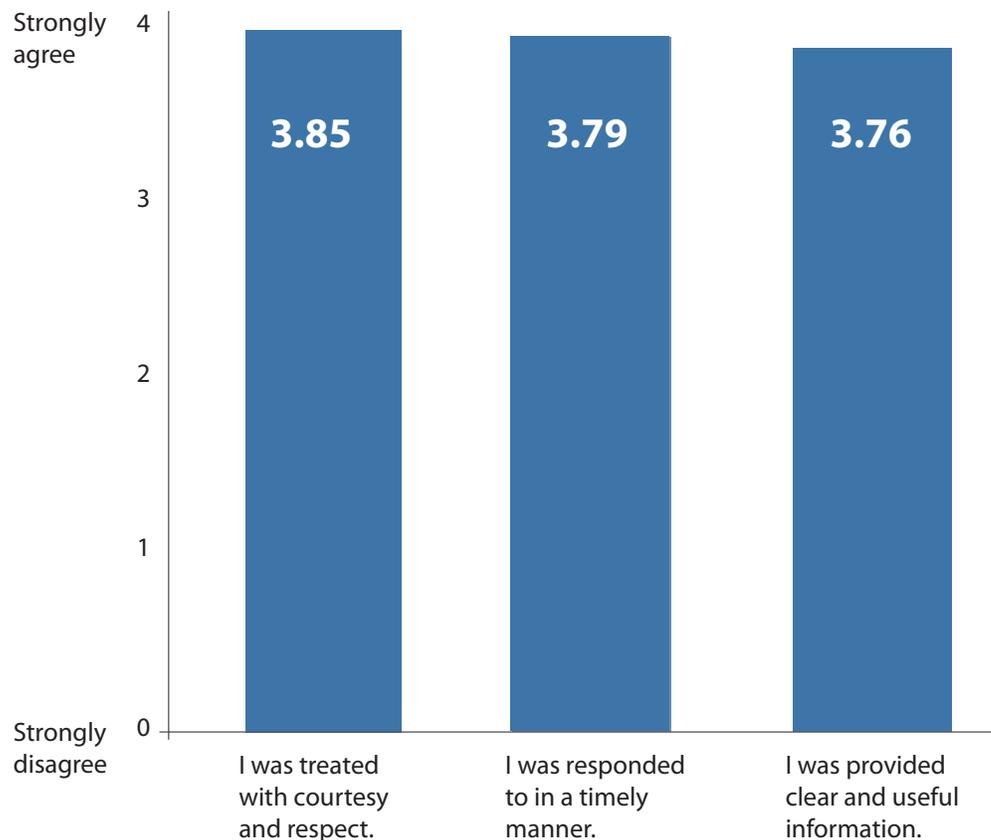


Taxpayer Account Administration

The Taxpayer Account Administration Division handles calls received on a dedicated phone number from taxpayers needing assistance with My Account (E-file). In early 2015, the division began sending a survey to randomly selected taxpayers who called for assistance. Between January 2015 and June 2015 they received 430 survey responses.

Survey highlight:

Based on today's contact with a Department of Revenue employee, please rate the following:



Customer feedback:

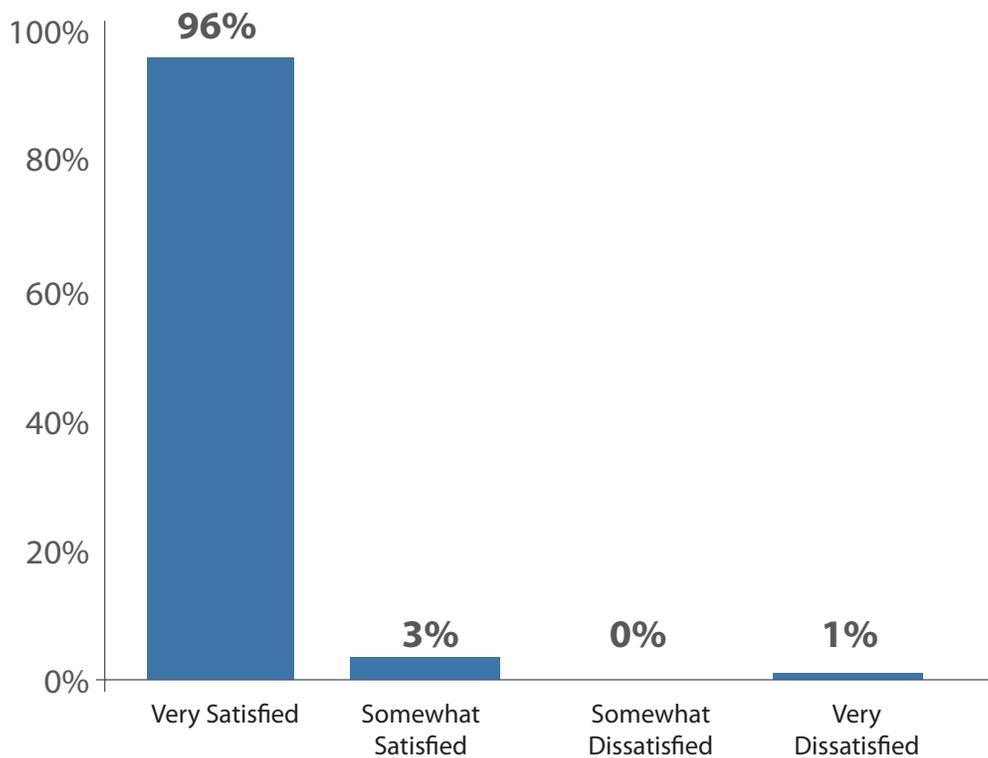
- The wonderful gentleman who helped me was an absolute pleasure and so kind and professional. Seriously, the BEST customer service and I can't think of one thing that could have been better.
- I thought that the woman who helped me with my questions was very courteous, knowledgeable and helpful - and, she managed to maintain a sense of humor and be friendly all at the same time.
- Of the states I have had to work with...you are my favorite!! People are friendly, very helpful and explain things with much patience and understanding. Thank you!

Compliance

In addition to collecting delinquent taxes, the Compliance Division is responsible for assisting and educating customers who visit our field offices. The agency has 12 offices located throughout the state. Customers visiting a field office have the opportunity to rate the service received during their visit. Two hundred and sixty-one visitors provided feedback on their visit to a field office.

Survey highlight:

How satisfied are you with the overall quality of service you received from the Department of Revenue's office?



Customer feedback:

"The service was fantastic. No need for improvements. Thank you very much."

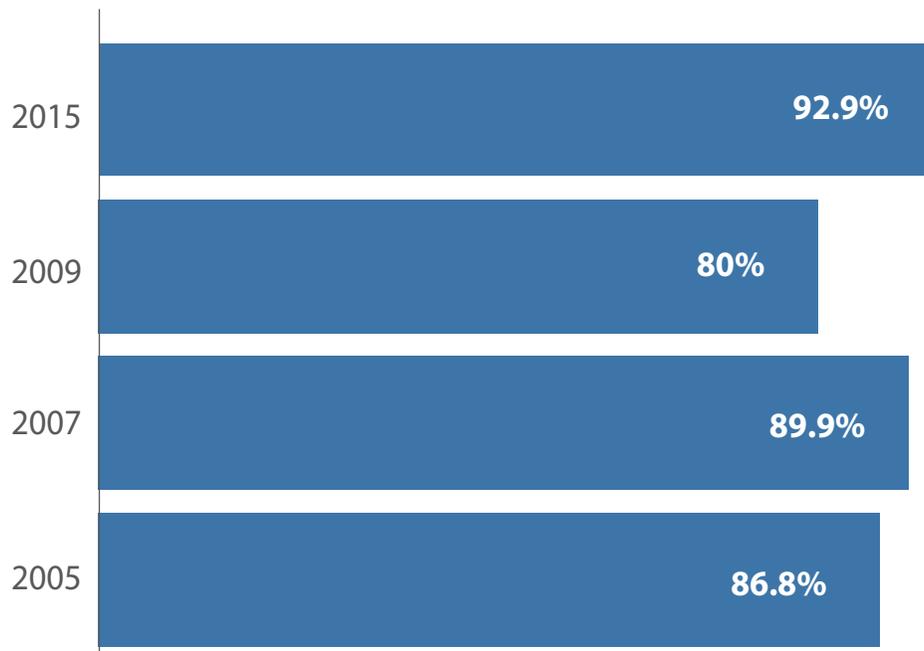
Audit

The Audit Division conducted an annual survey of randomly selected taxpayers. The taxpayers selected had participated in an audit during the past year and received 169 responses.

Survey highlight:

I have a better understanding of my state tax-reporting responsibilities as a result of the audit.

Somewhat/strongly agree

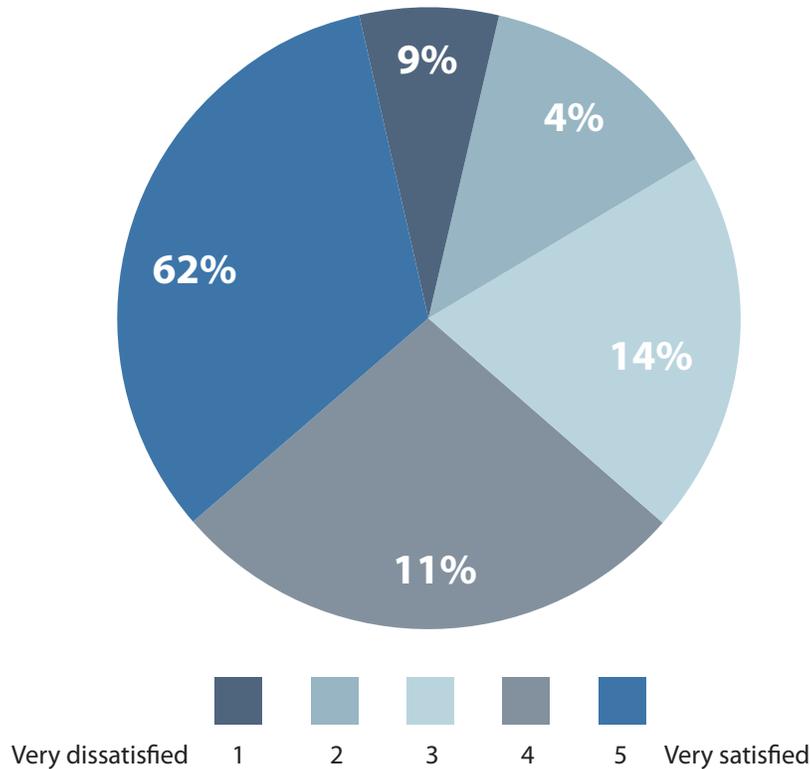


Telephone Information Center

The agency's Telephone Information Center, which is part of the Taxpayer Services Division, is the primary point of contact for taxpayers seeking assistance by phone. Callers have the option to participate in a survey at the end of their phone call. The survey asks the caller to rate each question on a scale of one to five, with five being the highest score. The option was first offered in January and between January and June 78 individuals participated in the survey.

Survey highlight:

My call was answered in a timely manner.



Customer feedback:

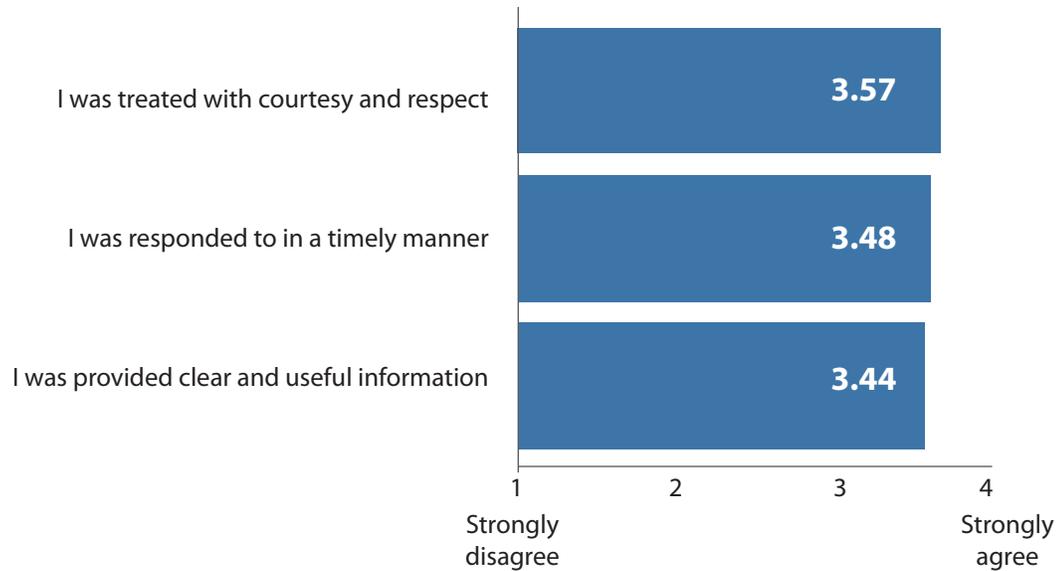
"Thank you! Question: I e-mailed you a question regarding tax on new boat last night (08/10/14). Given that you are a large government agency I expected that you may or may not get back to me sometime within the next month. In my experience, and despite higher expectations from your customers, this is how agencies typically operate these days. You guys however bucked the trend and got back to me in less than 12 hours! Though I shouldn't be, I am very surprised and happy with your superior customer service as compared to other government agencies. Thank you very much for understanding that DOR exists to serve us and working so hard to provide superior customer service. You guys rock, THANK YOU!!"

Business Licensing Service

Businesses applying for a Washington business license use the agency's Business Licensing Service, which is a part of the Taxpayer Services Division. The applicant has the option to provide feedback at the end of the application process. During FY2015, 742 applicants provided feedback.

Survey highlight:

Based on your most recent contact with a Department of Revenue Business Licensing Service employee, please rate the following:

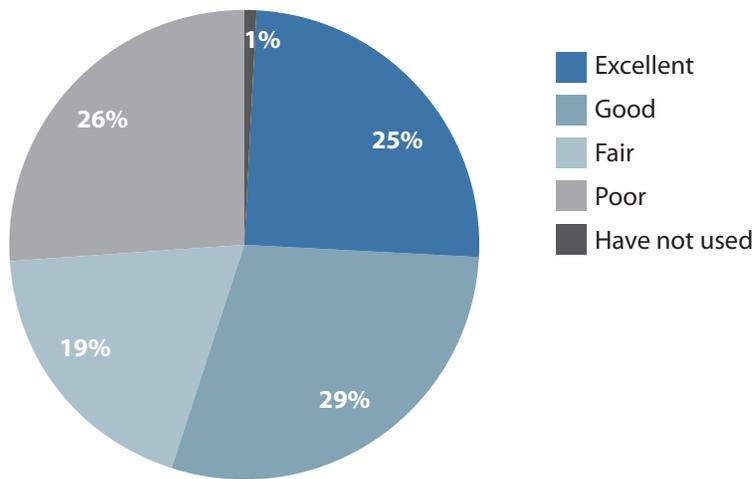


Customer feedback:

- Always a pleasure dealing with anyone in your department by phone. Always. People go over and above anything I could ever expect to help.
- My question regarding traveling for business was answered quickly and concisely. Thank you for the help.
- This online system is great. You all are doing a super job. Keep it up.

Opportunities for Improvement

Ease of use of the agency website



The agency is redesigning its website to better serve customers. The new design uses data from a usability study conducted with customers. The new site will be responsive – adapting its size to any mobile device – and offer simpler navigation along with a clean look and feel.

Action plan

- Hired a vendor to evaluate site visitors and usage patterns
- Conducted usability testing on new design with 9 customers
- Vendor provided new website design
- Hired a vendor to implement the new design using Drupal as the content management system
- Currently developing a plan and schedule for implementation, which is expected to begin in fall 2015
- The new site is to be implemented by late 2016

Audit survey results

Improvement area

Conduct a more timely survey. Due to the current design of the survey, some taxpayers were contacted 12 to 15 months after the conclusion of their audit, resulting in many vague and inconclusive comments (“I don’t know/ I don’t recall”).

Action plan

Explore survey frequency, delivery, and sampling methodology options to optimize the quality of responses. This will include an examination of the latest survey technologies to improve the timeliness, response rate, and data analysis prospects of future surveys.

Improvements

Taxpayer feedback

E-file education

Based on the web survey and the 2014 Taxpayer Satisfaction survey comments from users of our E-file application, we conducted the first-ever E-file webinar with 26 participants. We have added quarterly My Account alerts with tips and information when filing taxes using E-file.

Website search tool

Taxpayers taking various surveys shared their struggle with locating information on the agency's website while using the Search function. The agency monitors search terms used by visitors and continually refines the website search terms and results.

Legislative web page

The agency launched a new legislative web page in February 2015. The page contains news, updates about proposed legislation, and is viewable on smartphones or tablets. The page will also provide a summary of tax legislation after the end of each legislative session.

Citizen feedback

Suspect Fraud website

The agency heard from several citizens who had problems with the Suspect Fraud website. The site was not working with Chrome or other newer browsers. An update to the site was completed and it now works with the most popular browsers. In addition, the site is now accessible via smartphone or tablet.

Stakeholder feedback

Property Tax Senior/Disabled Exemption and Deferral program

Using feedback from a survey of county assessors, the Property Tax Division has made several improvements in the area of training and education. For example, a new specialized course on Senior/Disabled Exemption and Deferral programs was developed and held in January 2015.

Appeals

Attorneys, taxpayers, and tax preparers provided feedback to the Appeals Division. Changes made as a result are as follows:

- Created a settlement track to streamline and centralize the negotiation process.
- Increased the number of determinations published in FY15 by 37 percent over the previous year.

Tax models

The Research and Fiscal Analysis Division has developed tax models for many of the major taxes, including cigarette, liquor, and property taxes. The division designs these models to answer basic questions from legislative members and their staff. For example, how much extra revenue would result from a five-cent increase in the cigarette tax?

At the request of legislative staff, the Research Division created a tax model that allowed staff to see the impacts to the B&O tax rate by classification. In addition, the division created a model that would give the Governor's Office a simulation of the proposed working-family tax remittance.

Current Projects

Appeals Division improvements

Using feedback from their recent survey the division will continue making improvements such as:

- Amending Rule 100 (WAC 458-20-100) to clarify the informal, dependent, non adversarial nature of the process and other efficiencies
- Working on additional process improvements to reduce the time it takes to issue a mainstream decision
- Updating website content and planning more outreach to taxpayers so to promote awareness of these resources

Electronic issuance of reseller permits

Taxpayers indicated the need for electronic copies of the reseller permit. In July 2015, reseller permits became accessible in My Account, the taxpayer's online account with the agency. This enhancement will reduce printing and postage costs for the agency and allow businesses faster and more convenient access to their permit.

Improving tax models to respond to legislative questions

Every year the agency looks back at the most recent legislative session, reviewing the tax models that were developed and whether or not they provided an answer to a specific question. For example, requests for capital gains data by legislative district were not available using the current tax model. An updated model will provide this information in the future.

Customer Feedback

We will continue to seek feedback and make improvements based on survey results and stakeholder meetings.