

TAX SYSTEM MODERNIZATION PROJECT ADVISORY COMMITTEE

Arizona Department of Revenue



Katie Hobbs
Governor

Robert Woods
Chairman

“Draft” Minutes of Meeting
March 29, 2024
6th Floor Meeting Room 611
1600 W Monroe St., Phoenix, Arizona 85007
Live Stream: <https://youtube.com/live/bHEt6a6mzOU>

Members Present

Rob Woods	Chairman
Shawna Bolick	Member (Virtual)
Sarah Brown	Member (Virtual)
Kathleen Gitkin	Member (Virtual)
Micaela L. Andrews	Member
Lindsey Perry	Member
Heidi Thomas	Member
Leo Lew	Member
Charles (Chuck) Brown	Member

Others Present

Neeraj Dishpande	STARS Project Team Member
Cynthia Ramey	STARS Project Team Member
Elaine Smith	STARS Project Team Member
Lorilea Hudgins	STARS Project Team Member
Ranbir Samra	STARS Project Team Member
Thomas Rieckhoff	STARS Project Team Member
Sohrab Rezvan	STARS Project Team Member
Leah Cheney	STARS Project Team Member
Ameya Kulkarni	STARS Project Team Member
Hsin Pai	STARS Project Team Member

Call to Order

Chairman Woods called the meeting to order at 10:02 a.m. and asked each committee member to state their name for the record along with committee staff members.

Welcome

Chairman Woods began the meeting with a brief welcome.

Tax System Modernization Project Committee Purpose

Prior to the meeting, copies of the statute establishing the committee (A.R.S. Section 42-1009) were sent to the members. Chairman Woods gave a brief overview of the committee statute and opened the floor for member feedback. Chuck Brown indicated that he hoped the Committee would help feed community information back to ADOR. Lindsey Perry stated that the Auditor General's Office shares the same goals as the Department with regard to the STARS Project. Kathleen Gitkin is looking forward to a comprehensive tax system that will allow taxpayers to comply, with ease. She also mentioned that the cities would like to receive data that can help them educate taxpayers. Chairman Woods recognized Hsin Pai. Hsin Pai gave an overview of the basic rules governing this committee.

STARS Project – Meet the Team

Chairman Woods called on the STARS Project Team to provide information to the committee members about themselves. The STARS Project Team members who were present introduced themselves to the committee.

STARS Project – Project history, current state, and high-level timeline

Prior to the meeting, copies of the STARS Project were shared with the committee members. Chairman Woods called on the STARS Project Team to give a high-level presentation to the committee members. During the presentation committee members had the opportunity to ask follow up questions. Heid Thomas asked for a scenario on how machine learning algorithms work. Chairman Woods recognized Sohrab Rezvan. Sohrab Rezvan gave the example of GCOMs current ADOR support covering fraud mitigation and identification of remote sellers as processes that help identify areas of non compliance. Chuck Brown asked for clarification on the liquor tax implementation. Chairman Woods recognized Neeraj Deshpande who confirmed liquor tax implementation would begin in February 2025. Chuck Brown had a follow up question regarding when internal ADOR staff would be able to touch part of the new system. Chairman Woods recognized Sohrab Rezvan. Sohrab Rezvan stated the testing process will be worked on throughout the summer 2024.

Committee Member Feedback Request

Meeting cadence feedback was brought forward by Chairman Woods. Meeting cadence of at least every six months and as needed as the STARS project progresses through milestones. Recommended the next meeting scheduled for September 2024. Leo Lew inquired what value add the Chairman was looking for from members of the committee. Chairman Woods stated the opportunity to be the voice of their customer and provide feedback. Chairman Woods recognized Neeraj Deshpande. Neeraj Deshpande stated the committee will have the opportunity to provide input on the improvement of the customer experience. Timing of a meeting in six months will allow committee members to see product growth and provide input. Heidi Thomas inquired to Neeraj Deshpande about the requirements developed for the system. Neeraj Deshpande stated the work breakdown could be provided to the committee. Chairman Woods recognized Sohrab Rezvan. Sohrab Rezvan stated the project will follow an iterative software development life cycle. This will

allow users to work with ADOR and GCOM throughout the testing phases to ensure we are meeting their business requirements.

Q&A

Chairman Woods called on the members of the committee to share discussion points and future topics to take into consideration for the next meeting as well as additional questions regarding the STARS project. Leo Lew asked for additional information on the timeline and implementation of other various taxes. Chairman Woods recognized Sohrab Rezvan. Sohrab Rezvan stated the timeline is available within the presentation along with target windows that will be factored into each phase. Kathleen Gitkin inquired about system integration. Chairman Woods recognized Sohrab Rezvan. Sohrab Rezvan stated each phase is thoroughly discussed and documentation is produced around each interface through STARS. Lindsey Perry requested a deep dive on risk management as a future topic. Leo Lew inquired about the availability for data analysis and collection. Chairman Woods recognized Elaine Smith. Elaine Smith stated the new system will provide more access and data for the counties, cities, and town users.

Adjournment

There being no further business, Chairman Woods called for a motion to adjourn. Chuck Brown made a motion and Leo Lew seconded. Motion passed. Chairman Woods adjourned the meeting at 11:03 a.m.