

Statewide Vision: An Arizona for everyone.

Agency Vision: Funding Arizona’s priorities through excellence in innovation, exceptional custom experience, and public servant-led continuous improvement.

Agency Mission: Serve Taxpayers!

Agency Description: The mission of the Arizona Department of Revenue (ADOR) is to serve taxpayers. The Department administers the collection and distribution of individual and corporate income tax, transaction privilege (sales), use, luxury, withholding, property, fiduciary, bingo, and severance taxes. The Department oversees county assessors in the administration of locally-assessed property taxes.

Resource Assumptions: Enter Full-Time Employees (FTEs) and funding data by type (General fund (GF), other appropriated funds (AF), non-appropriated funds (NAF), and federal funds (FED). *Includes three years with actuals reflected for first year and approved for second and third year.*

FY	FTEs	Funding Types:				*Total
		GF	AF	NAF	FED	
23	908.0	\$56,088,500	\$26,497,000	\$2,072,700	\$0	\$84,658,200
24	925.0	\$62,587,600	\$27,003,400	\$2,014,700	\$0	\$91,605,700
25	925.0	\$58,839,400	\$30,203,400	\$1,853,700	\$0	\$90,896,000

*Total reflects GF + AF + NAF. FED funding shown is broken out from NAF.

Executive Summary:

The Arizona Department of Revenue has identified four strategic priorities in furtherance of fulfilling our vision. This holistic strategy engaged every level of the ADOR workforce and is aligned to the agency’s core purpose of collecting and distributing revenue to the State of Arizona. We will accomplish this through focus on the foundational pillars of the Department of Revenue.

Employee-Centric Culture: Delivering value to our people from recruitment to retirement in an environment that is focused on well being, goal alignment to vision and mission, with a servant heart.

Maximize Agency Effectiveness & Efficiency: Delivering value to our agency through review of processes to prioritize needs, and promote reduction in time, costs, and resources.

Enhanced Customer Experience: Creating a unique experience enabling a positive customer interaction through increased availability, reduced wait times, and first contact resolution.

Stakeholder Agility: Delivering value of credibility, agility, and enterprise-wide solutions to collect and distribute revenues to the State of Arizona.

Summary of 5-Year Agency Outcomes
(Outcomes are the desired result or impact of addressing strategic issues)

#	Agency Five-Year Outcomes	Start Year	Linked to Gov. Priority Outcome?	Progress / Status
1	Implement self-service options for taxpayers with the implementation of STARS (State Tax System) by 2029. <i>(Breakthrough)</i>	2024	Affordable and Thriving Economy	<p>Ongoing Agency Outcome: Identified core team supporting STARS initiative; identified two quick wins, Agile sprint activities (including User Testing) bi-weekly with internal and external stakeholders. Work Breakdown Structure (WBS) developed.</p> <p>New Agency Outcome: Working with Human Services agencies, provide a pathway for Arizonans in need to available resources.</p>
2	Increase taxpayer compliance with Arizona tax laws by 5% by June 2029. <i>(Breakthrough)</i>	2025	Affordable and Thriving Economy	<p>New Agency Outcome: Increased education and understanding of Arizona tax law resulting in reduction of delinquent accounts.</p>
3	Improve user experience with taxpayer interactions, supporting a 90% achievement of key Service Level Agreements by June 2029.	2025	Affordable and Thriving Economy	<p>New Agency Outcome: Increased alignment of service level agreements supporting Customer Experience.</p>
4	Balance capacity and demand for existing services while reducing overtime hours to improve Role Satisfaction by 5% by 2029.	2025	Affordable and Thriving Economy	<p>New Agency Outcome: Focusing on employee well-being, understanding the balance of capacity and demand with reliance on overtime.</p>

Outcome #	FY24 Annual Objectives	Objective Metrics	Annual Initiatives
#1	<p>Annual Objective: Increase monthly average of online submissions for luxury /liquor tax in Rev Hub by June 2025.</p>	<p>Objective Metrics:</p> <ul style="list-style-type: none"> ● % of paper liquor submissions. ● % of online liquor submissions through the portal. 	<p>Annual Initiatives:</p> <ul style="list-style-type: none"> ● Launch dedicated project team. ● Review Memorandum of Understanding. ● Identify Early Adopter taxpayers. ● Scan liquor documents. ● Implement Agile Sprint Activities (including User Testing).
#2	<p>Annual Objective: Increase taxpayer compliance by 2% by June 2025.</p>	<p>Objective Metrics</p> <ul style="list-style-type: none"> ● \$ of Accounts Receivable (AR). ● # of new remote sellers in compliance. ● # of days to process Voluntary Disclosure (VDA). ● # of compliant taxpayers in AR/remote seller and VDA. 	<p>Annual Initiatives:</p> <ul style="list-style-type: none"> ● Enhanced early stage collections activities. ● Increase identification of remote sellers. ● Redesign Voluntary Disclosure process.
#3	<p>Annual Objective: Improve user experience achieving a 90% rate of compliance with Service Level Agreements by June 2025.</p>	<p>Objective Metrics:</p> <ul style="list-style-type: none"> ● % Compliant with SLA's. ● Average speed of answer. ● Average number of days taken from receiving an email to resolution. ● Average number of days to process tax documents. 	<p>Annual Initiatives:</p> <ul style="list-style-type: none"> ● Enhance training. ● Standardize customer entry points. ● Restructure Error Resolution.
#4	<p>Annual Objective: Improve role satisfaction score from 86% to 88% from Best Companies Survey by June 2025.</p>	<p>Objective Metrics</p> <ul style="list-style-type: none"> ● Agency Engagement Score/Best Companies Score. 	<p>Annual Initiatives:</p> <ul style="list-style-type: none"> ● Focus on employee wellbeing and acknowledging the whole person. ● Embrace flexible work environments. ● Deploy leadership training/development (pre & post-promotion) and technical tracks; available for all team members; intentional learning /skill development to better serve customers. ● Provide a clean and safe work environment in and around the ADOR building to show respect for our team members. ● Baseline understanding of demand and capacity for each business unit.

Stakeholder Engagement Plan (Summary):

Internal: Priorities have team members assigned from across the agency to support goals/objectives. STARS has multiple special work assignments with team members from each division to support this 5-year project.

External: Priorities supported by outside associations (SHRM, FTA, city/towns) for input and feedback on processes.

Communication Plan (Summary):

Internal: Continue to provide updates monthly via huddles and quarterly with the Quarterly Business Review and/or Town Halls as needed for all priorities. STARS has a variety of stakeholders that are communicated with on a bi-weekly basis for updates.

External: Bi-annual updates with AFIT on agency deliverables and annually with ATRA regarding agency deliverables. STARS has a variety of stakeholders (Partner Agencies, ADOA, city/towns) that are communicated with on a bi-weekly/monthly/quarterly basis.

