



Digest of Administrative Reports FY 2023-24

At a Glance

Commissioner – Mark D. Boughton

Deputy Commissioner – John D. Biello

Established – 1901

Statutory authority – Connecticut General Statutes, Section 12-1

Central Office – 450 Columbus Boulevard, Hartford, CT 06103

Website – <https://portal.ct.gov/DRS>

Number of Authorized Positions – 600

Recurring Operating Expenses – \$52,058,426

Organizational Structure – Commissioner's Office; Audit and Compliance; Fiscal Administrative Services; Legal Services; Operations; Organizational Development

Mission

The mission of the Department of Revenue Services is to instill public confidence in the integrity and fairness of tax collection; achieve the highest level of voluntary taxpayer compliance; continuously improve agency performance; contribute to the fiscal and economic well-being of the state; and provide a positive and professional workplace.

Statutory Responsibility

The Department of Revenue Services is responsible for administering the provisions of Title 12 of the Connecticut General statutes.

Highlights and Achievements

The Department of Revenue Services (DRS) administers approximately 40-plus state taxes and fees; the revenue of which represents a significant source of funding for State government programs and services.

Audit and Compliance

- During FY23-24, the Audit and Compliance Division established the small business and self-employed audit unit. This unit is responsible for addressing income tax and sales tax compliance issues.
- The sales tax subdivision established a cash-based business audit team that focuses on unreported or underreported cash transactions.

- The Audit and Compliance Division generated \$216,665,815 from audit assessments. Additionally, 10,745 audit cases were processed.
- The Audit and Compliance Division collected more than \$24,894,522 through the DRS Voluntary Disclosure Program on 255 cases. The agency collected an additional \$317,894 on 13 cases through the Multistate Tax Commission's Voluntary Disclosure Program.

Commissioner's Office

- At the direction of Governor Lamont, the department provided an enhancement to the 2022 Connecticut Earned Income Tax Credit (EITC) from 30.5% of the federal credit to 40% beginning with the 2023 tax year, providing direct economic relief to low-to-moderate income working individuals and families.
- The department conducted its second tax incidence study in accordance with Connecticut General Statutes sec.12-7c. The study reports on the overall Connecticut tax incidence of the following tax types for tax years 2011-20: Sales and use tax, excise taxes, personal income tax, property tax, corporation business tax, and other taxes generating greater than \$100 million annually.

Legal Services

- The Taxpayer Services Division's Contact Service Center is the central point of contact for the public to communicate and engage with the department to discuss questions related to the 40-plus tax types and fees that are handled by DRS. The staff in the Contact Service Center are focused on providing world-class customer service, promoting electronic filing initiatives, and stimulating high levels of voluntary tax compliance. The Contact Service Center handled 442,846 phone calls and assisted taxpayers with understanding all aspects of their tax filing obligations including, but not limited to, completing and filing tax returns, new business registration, making payments, status of refunds, and corrections made to accounts.
- The Taxpayer Services Division's Contact Service Center responded to 28,637 written inquiries received through various communication channels.
- The DRS website delivered timely and updated information on the various state taxes and is easily accessible to all users. The DRS website received 49,055,435 events with 4,377,603 sessions that were initiated by over 2 million users.
- The Education and Outreach Unit was created to reach taxpayers where they are at various public events and through a webinar series. For FY23-24, the

department served 1,944 taxpayers through 23 events, including webinars, library visits, and speaking engagements.

- The Constituent Services Unit was added to the Education and Outreach Unit. This team was formed to help taxpayers and their practitioners understand their rights and responsibilities under the law.

Operations

- DRS administers 40 different tax types and fees. Almost all returns and payments can now be filed and paid electronically. Over the past four years during the CTax definition/design, DRS can now offer new electronic functionality in our taxpayer facing portal – myconneCT – that was not available in the previous portal, the Taxpayer Service Center (TSC).
- myconneCT offers 21 new tax types and fees, 37 new features, and several new services. Taxpayers can log into their account and review most letters sent from our modernized system, CTax. Additionally, they can send secure messages and upload documents requested by DRS.
 - This new portal also provides a variety of information and ease of navigation, including 58 tutorials. It is designed to send filing reminders to taxpayers five days before returns are due and 15 days after the due date. This helps DRS achieve the highest level of voluntary taxpayer compliance.

Organizational Development

- **Affirmative Action, Diversity and Equity:** DRS strives for a diverse and equitable workplace where employees can grow professionally. The DRS Diversity and Opportunity Committee, with employee representatives from all parts of the agency, continues to be a catalyst for opportunity and inclusion. The DRS Affirmative Action Plan was reviewed and approved by the state Commission on Human Rights and Opportunities.