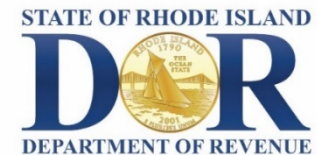


Planning for Change after an IT Modernization

August 13th, 2019

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- What are your Pain Points?
- Who needs to be involved in these changes?
- What sector of the taxpayer base would be affected?
- Should we converge or diverge with neighboring Tax Agencies?
- Are any changes needed to Legislation, Policy or Procedures?
- How will you know if the change is successful?
- What is a realistic timeline?



- Determine Stakeholders and provide solutions to their concerns
- Set clear expectations on timeline and cost
- Detail a risk mitigation strategy
- Demonstrate synergies/ efficiencies to be gained
- Communication in three directions: Up, Down, Across



Establish Goals

- Reduce taxpayer burden of compliance
- Maintain revenue stream
- Use technology to better educate the taxpayer
- Incubate incremental change while avoiding disruptive change
- Avoid resource burnout and high opportunity cost



An Example: Withholding Tax Challenges



- Taxpayers may not understand the full extent of their filing obligation
- Minimal information on returns require annual reconciliation filings
- Payroll companies file on behalf of Taxpayers
- Unique withholding requirements = more complications for multi-jurisdiction companies

- Taxpayers may not understand the full extent of their filing obligation
 - Created an Annual Letter detailing due dates, tailored to the taxpayer's account
- Minimal information on returns requires annual reconciliation filing
 - Streamline data reporting requirements
- Third party files on behalf of Taxpayers
 - Plan for deviations from baseline filing requirements
- Unique withholding requirements = more complications for multi-jurisdiction companies
 - Look to modernize Tax Code; couple with other jurisdictions if it makes sense

Questions?

