



FTA Awards Nomination/Entry Form

Person who led this effort or project

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About your program, idea, or project

Name your program, idea, or project: We want to give you money! (Earned Income Tax Credit Initiative)

What is the problem that you wanted to solve? Taxpayers had Earned Income Credit (EIC) due to them, but they had not filed their Illinois Income Tax return, so they were missing out on the refund. Since earned income credit benefits taxpayers with relatively low earned income, these are taxpayers that would very likely benefit significantly with having the extra money (refund). The Department of Revenue also strives to practice "fair enforcement" which does not always correlate to making taxpayers "pay" money to the department.

Who was involved in addressing the problem? Audit staff were an integral part of the Departmentwide team led by a representative of the Director's Office.

How did they go about finding a solution? The project team met multiple times to determine the objectives and scope. The team continues to meet to monitor the results. The IRS files received by the Department contained sufficient information to identify taxpayers due this credit that had not requested it from Illinois Department of Revenue.

Describe the outcome. What is the new idea, approach, program, or activity? The IRS information was the beginning of the process; however, Audit systemically was able to review the information and compare it to GenTax (the current Tax System used in Illinois) information to identify the specific population of taxpayers to notice.

The population for the 2020 mailings was 22,392 taxpayers with an Illinois address that have not filed an Illinois return, but qualify for EIC. A letter was mailed to each taxpayer with return figures and the potential refund amount based on their federal income tax return. If the taxpayer agreed with the figures, they signed the page showing the refund

amount and returned it Audit for refund processing. Taxpayers were also asked to respond to the department if they felt they were not due the projected refund because the figures were incorrect, or they had already received their Illinois refund for the reporting period.

As another component of this project, Audit included information on the department's website including an Informational Bulletin, a Frequently Asked Questions document, as well as issuing a press release to ensure taxpayers were aware.

As of January 2021, Audit has issued almost \$5.7 million in refunds to approximately 10,700 taxpayers that would have, very likely, gone unclaimed. As part of this project, it was determined the refunds would not be offset to pay additional liability owed to the department by the taxpayer. This ensured taxpayers received the full value of their refund.

As quoted in the press release on this project: "By rewarding work and supplementing household income, earned income tax credit programs have lifted millions of families and children out of poverty across the country," said David Harris, IDOR Director. "Today's action continues this administration's efforts to ensure all Illinois working families are receiving the support they have earned and this department's efforts to connect taxpayers to the maximum refunds they are due."

Another agency with a similar tax type or this kind of problem could adapt or adopt this idea.

We built on an existing relationship with a third-party vendor. (This would include development of a new idea or approach that works within a proprietary system that you use for many purposes.)

Audit was able to utilize the existing "leads" process within the GenTax Audit Manager for this project. Refunds were also processed through GenTax

The Department will be continuing this project in the coming years as new processing year information is received from the IRS to ensure fair enforcement to all taxpayers. However, the notification letters will be spread out and sent between May and December each year instead of being sent all at one time to allow for more efficient processing of the responses.

What has changed since this was implemented? How have your operations improved? Include any data, analytics or metrics that would show the value of your program. Don't forget management advantages such as improved morale.

Is there any component of your program that makes it workable only in your state or city?

Is this an in-house project, or did you partner with an outside vendor or service-provider?

Additional information or comments about your usage of outside vendors or service providers.

What comes next – will you be adding to your program, rolling it out more widely, trying additional approaches?

Additional Optional Materials

Website/Documentation URL (Must be publicly accessible) www.tax.illinois.gov

Documentation Upload



Specific links to information on the website.d...