

COMMUNICATION PLAN

MTC STRATEGIC PLANNING STEERING COMMITTEE

2014

Strategic Projects

and

Institutionalizing Strategic Planning

V 7.0 – January 21, 2014

KEY MESSAGES FOR 2014:

What are we doing now?

- We have completed three projects to help us achieve our goals, one related to our engagement goal and two related to our compliance goal.
- We are beginning to integrate strategic planning practices into our regular business activities.
- We have a uniformity project underway.

What is a strategic plan and what does it mean for the MTC?

- A strategic plan is a tool for setting priorities and focusing the efforts and resources of an organization to achieve its primary purpose.
- Our plan sets the MTC's direction for the next 5-7 years.
- The strategic plan establishes specific goals and objectives to help the MTC achieve its primary purpose.
- The strategic plan also gives us a process to establish and update our priorities for investing our time and resources.

What have we accomplished so far?

- The Commission has adopted the key building blocks of our strategic plan:
 - Mission – a statement of the core purpose for the MTC
 - Values – the key principles that drive the MTC's actions
 - Vision – the high level direction for the MTC over the next 5-7 years
 - Goal areas – the key areas in which we need to focus in order to achieve our vision
 - Steering Committee – formally chartered to guide and implement strategic planning for the MTC
- The Steering Committee has adopted a planning calendar to integrate planning into our regular business activities.
- The Steering Committee initiated a project to increase state and top tax administrator engagement in MTC activities (2012). That project has been completed and the new program has been integrated into the regular operations of the Commission.
- The Steering Committee chartered two teams to work on projects related to the multistate audit program. Those work teams completed their work and the new audit nomination process and early audit closure procedure were implemented in 2013.
- The Steering Committee has approved a project to identify barriers to adoption of uniformity recommendations. That project is underway and will be completed by July 2014.

What will happen next?

- The Steering Committee is monitoring the progress and effectiveness of the Engagement program.
- The Steering Committee will develop additional strategies to integrate strategic planning practices into the business operations of the MTC.
- The Steering Committee will monitor the uniformity project that began in the fall of 2013.
- The Steering Committee will establish priorities for projects to be commenced in fiscal 2014-15.

Who is managing this process?

- The Steering Committee provides high level oversight and leadership for the planning process. Steering Committee members are: Nancy Prosser (Steering Committee chair), Julie Magee (MTC Chair), Demesia Padilla (MTC Vice Chair), Rich Jackson (MTC Treasurer), Bruce Johnson and Joe Huddleston.
- There is also a facilitator-Elizabeth Harchenko. The facilitator guides the process and assists the steering committee in overseeing the planning process.

2014 time line:

- Steering Committee teleconference – **January 2014**
 - Approve priority goal areas for 2014-15 projects
- Steering Committee meeting – **April 2014**
 - Approve projects for 2014-15
- MTC Annual meeting – **July 2014**
 - Report on the year's activities to Executive Committee and Commission.

KEY COMMUNICATORS: MTC Chair; Steering Committee chair; Steering Committee members

Steering Committee members:

Nancy Prosser, Special Assistant for Tax Policy, Texas Comptroller of Public Accounts, nancy.prosser@cpa.state.tx.us

Julie Magee, Commissioner, Alabama Department of Revenue, Julie.magee@revenue.alabama.gov

Demesia Padilla, Secretary, New Mexico Department of Taxation and Revenue, demesia.padilla1@state.nm.us

Rich Jackson, rich.jackson@tax.idaho.gov

Bruce Johnson, rbjohnson@utah.gov

Joe Huddleston, Executive Director, Multistate Tax Commission, jhuddleston@mtc.gov

Consultant: Elizabeth Harchenko, esharchenko11@gmail.com

COMMUNICATION OPPORTUNITIES:

Web sites: MTC; FTA TaxExPRESS; trade associations; taxpayer associations

MTC Annual Meeting; committee meetings; Executive Committee session; Commission session

Regularly scheduled updates for the states; committee teleconferences; electronic communications

Stakeholder meetings; presentations or speeches

KEY AUDIENCES: State tax administrators; State staff; MTC staff

Stakeholders – taxpayer groups; taxpayer representatives; other government associations

Business partners – FTA, IRS, other organizations that share operational goals or functions or that collaborate with MTC to achieve operational goals.

State tax press

Appendices

MULTISTATE TAX COMMISSION – MISSION, VALUES, VISION AND GOALS (as of 7-23-13)

MISSION STATEMENT:

The Multistate Tax Commission is an intergovernmental state tax agency. Its mission is to:

- Achieve fairness by promoting compliance and consistent tax policy and practice; and to
- Preserve the sovereignty of state and local governments over their tax systems

VALUES:

Value Collaboration

- Share our expertise with members and stakeholders
- Develop and leverage shared resources among states to maximize return
- Engage federal, state, and local governments and taxpayers

Value Excellence

- Provide the highest quality legal, policy, and compliance services
- Provide superior support and training

Value Inclusivity

- Invite the participation of all stakeholders
- Act openly and transparently

Value Integrity

- Conduct all activities according to the highest ethical standards

Value Sovereignty

- Promote the authority of state and local governments to determine their own tax policies and administer their own tax systems
- Assist Congress to maintain a balance between states' sovereign powers and the role of the federal government in regulating interstate commerce

Value Uniformity

- Pursue uniformity of tax policy and practices by tax jurisdictions
- Stand up for the equitable treatment of taxpayers
- Support taxpayer accountability

VISION

By 2019, MTC will be recognized as:

- The “gold standard” for tax policy development
- The primary authority for the public and public officials on issues of state and local tax uniformity and fairness
- The leading resource for ensuring equitable tax compliance

STRATEGIC GOAL AREAS- Areas in which MTC must focus in order to achieve its vision

Vitality and reputation of the commission – Our goal is to improve our image and reputation nationally.

Increased vitality and reputation of the MTC will be reflected by:

- A higher level of institutional knowledge within the states about the MTC.
- A more stable model for funding the activities and services of the MTC.
- A more positive image and reputation nationally.
- A higher level of awareness and use of the MTC's services by state and local tax authorities.
- More effective and efficient decision-making processes and communication.

Engagement of states and other stakeholders – Our goal is to increase the level of institutional knowledge within the states about MTC. Greater engagement of the states and other stakeholders in the MTC will be reflected by:

- A high level of participation by states and local jurisdictions in the activities of the MTC.
- A significant number of top tax administrators will be directly involved in leadership of the MTC.
- Significant public participation in commission activities.
- Significant public use of MTC services such as voluntary disclosure and alternative dispute resolution.
- Strong relationships and strategic partnerships that help the MTC achieve its mission and vision.

Uniformity – Our goal is to increase uniformity in tax policy and administrative practices among the states. Achievement of the MTC's uniformity goal will be reflected by:

- Greater adoption of uniformity recommendations by state and local tax jurisdictions.
- Uniformity projects will have the greatest value to the states and stakeholders.
- More multistate tax issues will be referred first to the MTC for recommendation or resolution by the states, taxpayers and the federal government.

Compliance programs – Our goal is to develop timely and effective strategies to address new compliance challenges. Achievement of the MTC's compliance goals will be reflected by:

- Greater voluntary compliance by taxpayers with state and local tax laws.
- Earlier identification of compliance challenges by the states and MTC staff.
- Prompt development of strategies to address new compliance challenges by the states and MTC staff.
- Broad recognition for our leadership in addressing compliance issues.

Project Descriptions

Project description: Barriers to Adoption of Uniformity Recommendations (underway 2013-14)

This project will review data on adoption of uniformity recommendations, identify the barriers to adoption of those recommendations by the states, and identify possible solutions to those barriers. Target Completion Date: July, 2014

Project description: Early Audit Closure (completed 7-2013)

This project developed a process and standards for an MTC auditor to determine that there is no potential for a material audit adjustment for a state or states after commencement of an audit, but before the development of a complete audit report and without the need to prepare full audit schedules. The determination would close the audit process for the affected state tax returns. The new procedure will be implemented during 2013-14.

Project description: Audit Nominating Process Review (completed May, 2013)

This project involved a comprehensive review of the process for nominating audit candidates. The modified process will take less time to complete and produce higher quality audit nominations. It reduced the work that the states and MTC staff need to do in order to complete the nomination process. The modified process will be implemented during 2013-14.

Project description: Commissioner Outreach & Education Project (completed April 2012)

This project developed and implemented a formal program that the MTC uses to reach out to new tax administrators. These activities are integrated into the annual calendar of events. They are designed to provide key information about the MTC and the state's involvement in MTC promptly, and to initiate and sustain contact between the MTC and the states.

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