

Lead Agency: County Management

Program Contact: Mark Campbell

Program Offer Type: Existing Operating

Related Programs:

Program Characteristics:

Executive Summary

The ITAX Administration Program manages the administrative functions for the Multnomah County three year temporary personal income tax (ITAX) for the tax years 2003, 2004 and 2005 in accordance with Ballot Measure 26-48 approved by the voters in May 2003. The ITAX was sunset on December 31 2005; however the program continues to collect delinquent taxes and is accountable for compliance and regular audits. This is a joint offer with the County Attorney's Office.

Program Description

This program assures that the county is collecting this tax appropriately, fairly and effectively, providing leadership, collection analysis, distribution, legal process and accountability for the County's ITAX. Key efforts include: (1) managing the administrative functions of ITAX, (2) managing the Inter Governmental Agreements with various school districts that receive ITAX funds, and, (3) taking legal actions against non-payment of ITAX. The ITAX program is also responsible for maintaining a complete and accurate county resident database and communicating all relevant issues to taxpayers. The program has collected over \$375 million of which about 70% was distributed to schools. Currently, approximately \$13 million is projected to be outstanding as delinquent and non-filers representing about 79,000 accounts. For FY 2011 the ITAX program expects to collect about 250,000, of which \$200,000 will be distributed to schools and county programs. Administrative and collection expenses are expected to be about \$50,000. This program offer provides funding for .75 FTE in County Attorney's office through March 2011 and collection service charges to collection Attorney Smith & Greaves LLP.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY08-09)	Current Year Purchased (FY09-10)	Current Year Estimate (FY09-10)	Next Year Offer (FY10-11)
Output	Cumulative ITAX Collected	375,920,413	376,920,413	376,920,413	377,170,413
Outcome	Percent of compliance by dollar collected	97.6%	97.6%	97.6%	97.6%

Performance Measure - Description

Results are achieved by taxes collected. The goal was to have 90% of the tax collected within 12 months of the due date and 97% collected within three years of the tax due date. According to Internal Revenue Service, about 87% of federal income tax is collected. For tax years 2003, 2004 and 2005, we have collected 97% of the tax dollars due.

Legal/Contractual Obligation**Revenue/Expense Detail**

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2010	2010	2011	2011
Personnel	\$142,293	\$0	\$57,000	\$0
Contracts	\$75,000	\$0	\$10,000	\$0
Materials & Supplies	\$26,000	\$0	\$1,500	\$0
Internal Services	\$46,735	\$0	\$1,500	\$0
Total GF/non-GF:	\$290,028	\$0	\$70,000	\$0
Program Total:	\$290,028		\$70,000	
Program FTE	1.00	0.00	0.00	0.00
Program Revenues				
Total Revenue:	\$0	\$0	\$0	\$0

Explanation of Revenues

Multnomah County Personal Income Tax consists of 1.25% on Oregon Taxable Income less County exemptions, interest on late payments, penalties on late filings and fees generated by checks returned for insufficient funds (NSF).

Significant Program Changes

Last year this program was: #72014, FRM - ITAX