



Accounts Receivable Presentation
For
Senate Finance Committee

May 21, 2009

TAX Receivables Overview as of January 9, 2009

- Approximately \$1.7 Billion in Receivables
- Majority of bills are attributable to Audit Assessments which are difficult to collect
 - Estimated assessments issued by TAX's discovery programs
 - Estimated audit assessments where records are not available
- Over \$1 Billion of Receivables are more than one year old
- Implementation of new Audit and Collection tools, along with additional staff, have increased both Collections and Receivables

Outstanding Receivables By Age (As of January 9, 2009)

AGEGROUP	Tax	Penalty	Interest	Balance
Not Past Due ¹	\$75,368,554.97	\$15,258,761.30	\$15,539,047.64	\$106,166,363.91
1 - 30 Days	\$27,723,493.79	\$5,242,903.97	\$9,258,210.64	\$42,224,608.40
31 - 60 Days	\$34,662,814.47	\$8,653,709.56	\$9,418,853.32	\$52,735,377.35
61 - 90 Days	\$55,284,892.89	\$6,876,759.54	\$36,000,429.82	\$98,162,082.25
91 - 120 Days	\$19,015,600.19	\$5,197,947.17	\$4,084,833.73	\$28,298,381.09
121 - 180 Days	\$68,811,104.85	\$20,492,332.09	\$17,177,708.84	\$106,481,145.78
181 - 365 Days	\$83,483,501.50	\$21,969,827.47	\$25,631,084.96	\$131,084,413.93
1 - 2 Years	\$122,101,630.68	\$38,817,823.55	\$50,972,172.56	\$211,891,626.79
2 - 3 Years	\$50,482,666.71	\$16,525,023.99	\$26,282,751.91	\$93,290,442.61
3 - 4 Years	\$64,690,883.96	\$20,948,501.06	\$36,112,477.96	\$121,751,862.98
4 - 5 Years	\$65,532,096.71	\$31,953,037.77	\$44,695,135.79	\$142,180,270.27
Over 5 Years	\$210,679,229.84	\$97,004,972.75	\$296,900,325.88	\$604,584,528.47
GRAND TOTALS	\$877,836,470.56	\$288,941,600.22	\$572,073,033.05	\$1,738,851,103.83

1) A taxpayer has thirty days to make payment before the account is past due

Outstanding Receivables By Tax, Penalty, and Interest (As of January 9, 2009)

Tax Type	Tax	Penalty	Interest	Balance
Individual Income	\$485,431,595.47	\$175,552,825.42	\$366,906,556.94	\$1,027,890,977.83
Sales and Use	\$203,489,903.68	\$57,575,329.47	\$115,837,331.09	\$376,902,564.24
Withholding	\$74,482,867.24	\$33,708,093.77	\$44,668,562.91	\$152,859,523.92
Corporate	\$109,667,035.93	\$15,549,272.85	\$42,088,248.51	\$167,304,557.29
Other	\$4,765,068.24	\$6,556,078.71	\$2,572,333.60	\$13,893,480.55
GRAND TOTALS	\$877,836,470.56	\$288,941,600.22	\$572,073,033.05	\$1,738,851,103.83

Breakdown of Receivables by Tax Type from June 2002 through Jan 09, 2009

	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	Jan 09, 2009
Individual	300,229,414	309,236,185	312,175,614	358,084,933	320,227,938	348,332,138	444,770,072	453,039,531
Sales**	257,646,552	256,268,074	235,578,192	267,933,502	265,654,048	281,065,917	290,680,277	378,901,302
Withholding	55,554,885	71,549,770	63,849,702	52,265,308	71,178,646	60,596,602	60,836,813	67,382,188
Corporate	51,455,510	40,571,085	40,697,084	42,299,674	40,913,237	41,484,855	32,806,906	92,988,122
Other	9,058,431	8,731,584	11,255,055	18,904,104	19,513,173	21,398,486	26,514,845	20,314,241
Penalty	147,120,646	153,991,318	207,569,880	210,902,809	223,017,177	235,499,378	262,179,779	273,985,249
Interest	212,107,138	219,555,369	188,316,648	211,778,373	279,543,865	328,459,097	402,235,346	452,240,470
Total	1,033,172,576	1,059,903,385	1,059,442,174	1,162,168,702	1,220,048,084	1,316,836,473	1,520,024,038	1,738,851,103

*FY03 – 117 new positions added, FY04 Amnesty was implemented, and FY05 implementation of new taxpayer system

** Amounts reported for Sales include Penalty and Interest

Outside Collection Agencies

- Since November 2007, have assigned approximately \$840 Million in receivables to CGI/Performant
 - \$141 Million in new accounts
 - \$619 Million in reassigned accounts
- Account assignments to CGI/Performant are done on a monthly basis
- CGI/Performant is paid based on age of account and collectability
- OCA's collect approximately 8% of all receivables collected

Amounts Collected by CGI/Performant between April 2008 and December 2008 by Age of Account

61-90 days past due	\$3,110
91-120 days past due	\$57,319
121-180 days past due	\$1,388,031
181-365 days past due	\$3,123,047
1 – 2 years past due	\$8,895,939
2 - 3 years past due	\$1,729,930
3 - 4 years past due	\$1,763,067
4 -5 years past due	\$2,017,662
Over 5 years past due	\$10,412,801
Total	\$29,390,906

Age of Receivables Assigned CGI/Performant

Business

Business	Sales and Use	Consumer Use	Withholding	Corporate	Others	Grand Total
61 - 90 Days	245,336.64	69,695.02	614,488.29	13,406.04	80,075.23	1,023,001.22
91 - 120 Days	200,446.64	5,389.73	374,595.16	250,873.11	69,447.20	900,751.84
121 - 180 Days	1,425,944.85	5,351.04	1,102,463.37	271,971.75	184,867.92	2,990,598.93
181 Days - 1 Year	2,251,929.71	2,067,041.01	2,895,414.30	1,017,017.52	719,820.63	8,951,223.17
1 Year - 2 Years	5,102,469.06	30,122.79	3,673,588.66	854,799.89	1,606,844.29	11,267,824.69
2 Years - 3 Years	1,998,447.14	19,812.31	1,775,060.22	488,357.41	251,874.23	4,533,551.31
3 Years - 4 Years	2,975,338.38	18,694.72	3,522,912.66	1,227,592.93	92,353.19	7,836,891.88
4 Years - 5 Years	29,917,185.40	25,598.74	3,460,988.34	1,325,999.62	275,615.75	35,005,387.85
Over 5 Years	22,332,432.81	2,193,522.13	25,319,943.12	12,544,578.68	2,623,468.08	65,013,944.82
Grand Total	66,449,530.63	4,435,227.49	42,739,454.12	17,994,596.95	5,904,366.52	137,523,175.71

Age of Receivables Assigned CGI/Performant – cont.

Individual

Individual	Individual Income	Others	Grand Total
61 - 90 Days	6,629,143.60	5,475.34	6,634,618.67
91 - 120 Days	6,316,306.68	57,710.46	6,374,017.14
121 - 180 Days	36,268,601.92	8,191.24	36,276,793.16
181 Days - 1 Year	31,955,531.21	18,717.13	31,974,248.34
1 Year - 2 Years	94,377,284.00	38,843.82	94,416,127.82
2 Years - 3 Years	40,541,730.53	38,937.72	40,580,668.25
3 Years - 4 Years	65,538,254.02	17,583.57	65,555,837.59
4 Years - 5 Years	79,149,136.95	17,462.00	79,166,598.95
Over 5 Years	340,982,821.69	270,047.58	341,252,869.27
Grand Total	701,758,810.60	472,968.86	702,231,779.46

Questions