



Agency Overview

Joint Committee on Ways and Means
Subcommittee on General Government

2025

Betsy Imholt, Director

Schedule

- DAY 1** Agency Overview
Personal Tax and Compliance Division
Business Division
- DAY 2** Property Tax Division
Collection Division
- DAY 3** Information Technology Services Division
Administration Division

Topics

- 01** What We Do
- 02** Organization
- 03** Mission, Vision, Values
- 04** 12-Year Look Back
- 05** Strategic Plan
- 06** Accomplishments
- 07** Challenges
- 08** Budget

What We Do



Administer 63 tax
and fee programs



Bring in over \$45
billion dollars last
biennium

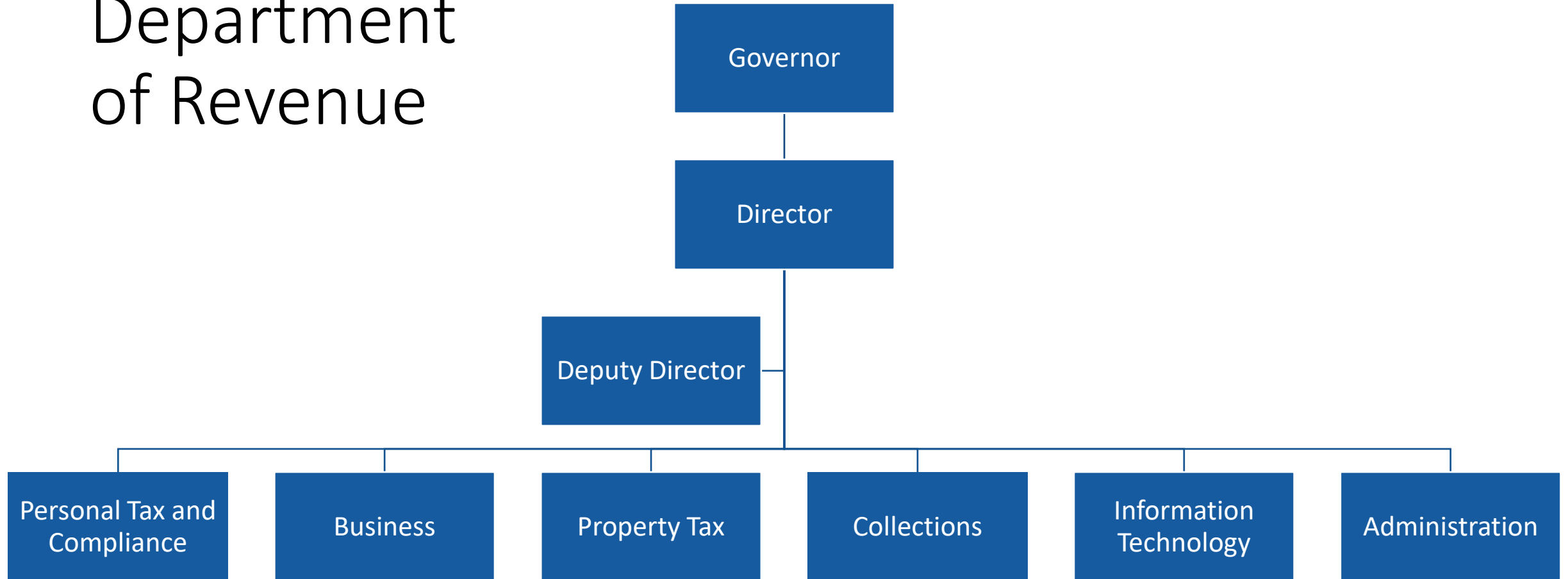


Oversee the
property tax
system



Collect on behalf of
state and local
governments

Oregon Department of Revenue



Mission

Together, we collect the revenue that Oregon counts on.

Vision

To create a clear and easy experience for our customers.

Values

We work to earn the trust of taxpayers.

We seek dignity and inclusion for all.

We do the right thing.

We build partnerships.

We rise to the occasion.



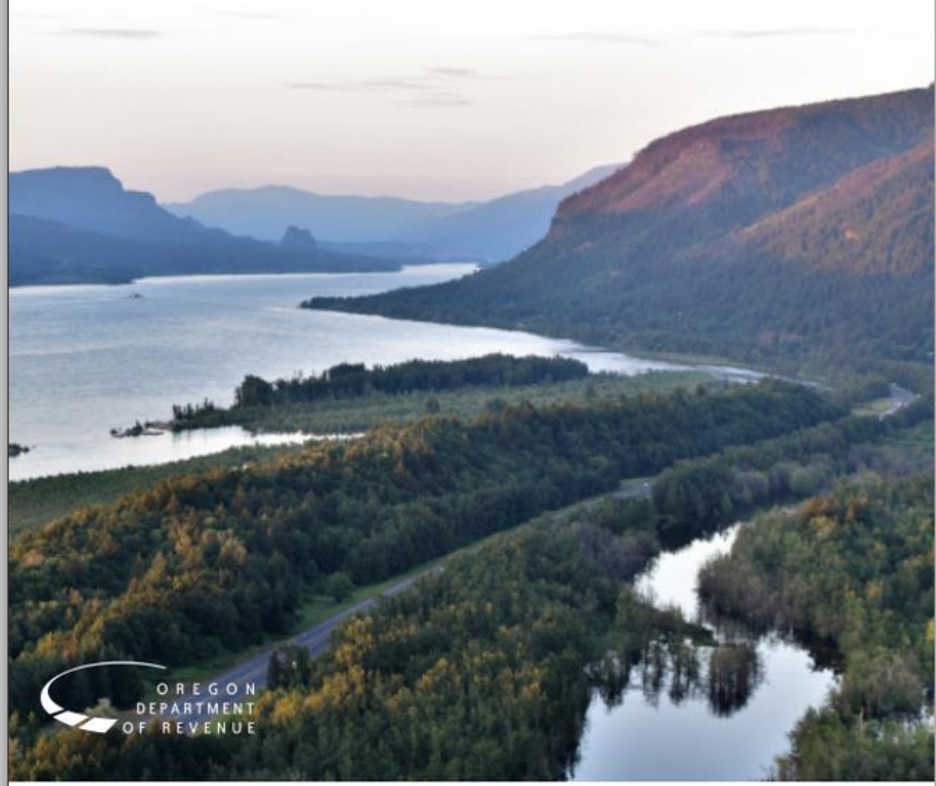
12-Year Look Back

	2009-2011	2021-2023	Change
Oregon Population	3.8 m	4.3 m	+13%
Revenue Collected	\$17,207 m	\$45,531 m	+164%
Tax Returns Processed	5.4 m	8.6 m	+59%
Phone Calls Received	302,605	441,347	+45%
DOR Employees (FTE)	1016	1061	+4%

OREGON COUNTS ON US

ADOPTED STRATEGIC PLAN | 2022-2027

Oregon Department of Revenue
Updated January 2024





Accomplishments

Accurate and timely transfers

Governor's expectations

Collected record breaking revenue

New programs

Customer experience

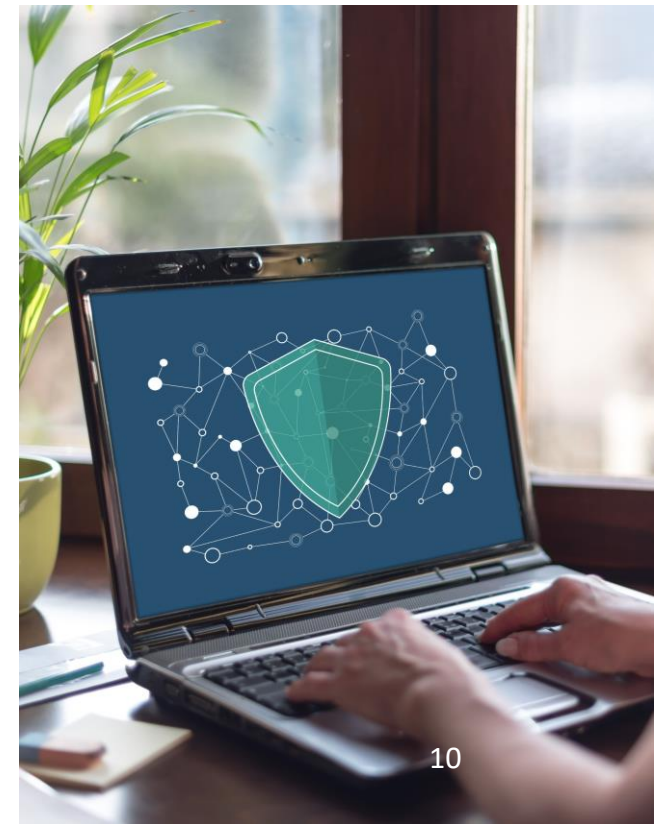
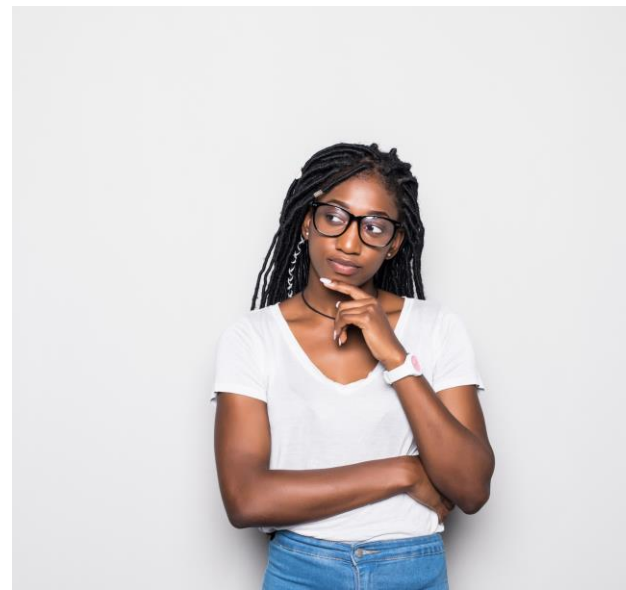
Challenges

Customer expectations

Fraud

Cybersecurity

Uncertainty



Oregon Department of Revenue Budget

	General Fund	Other Funds	Total Funds	POS.	FTE
2023-25 LAB	248,901,204	187,084,346	435,985,550	1,166	1,088.75
2025-27 CSL	274,479,712	161,255,888	435,735,600	1,150	1,088.78
2025-27 GRB	267,297,265	166,715,178	434,012,443	1,164	1,107.29
CSL-GRB Change	(7,182,447)	5,459,290	(1,723,157)	14	18.51



Betsy Imholt, Director

Oregon Department of Revenue

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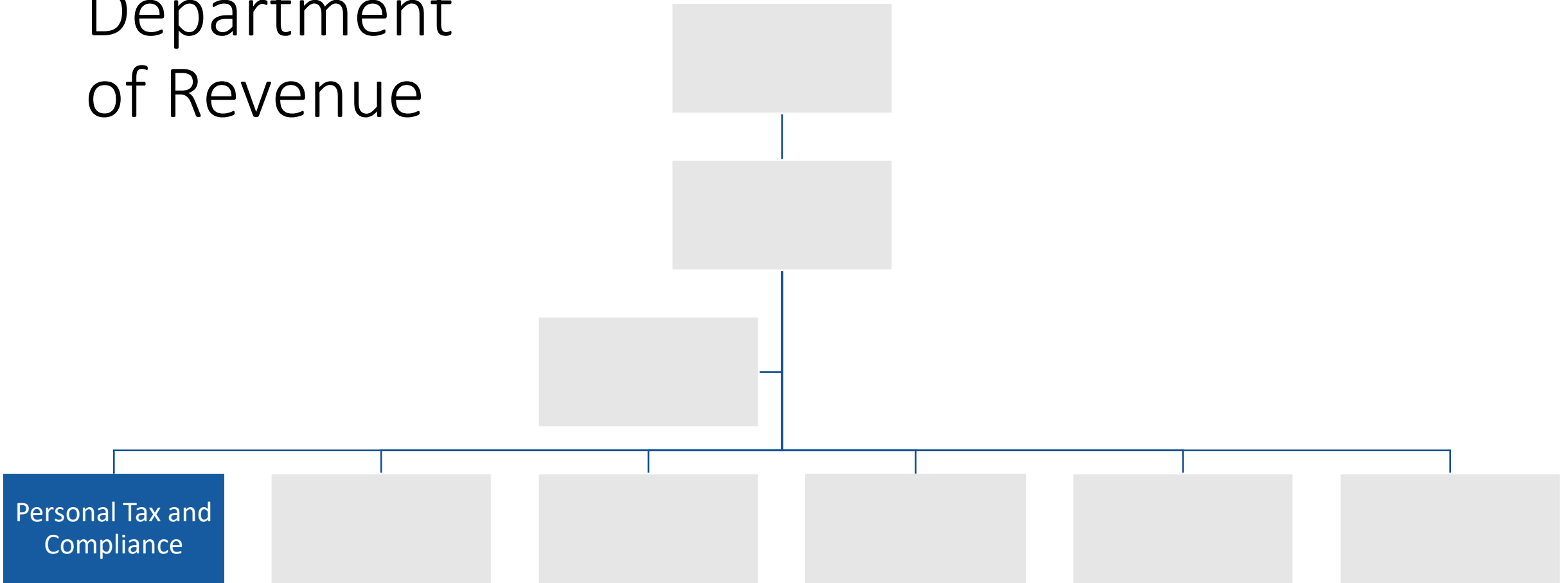
Personal Tax and Compliance Division

Megan Denison, Personal Tax and Compliance
Division Administrator

Topics

- 01** Division Overview
- 02** Fraud
- 03** Key Performance Measures
- 04** Challenges
- 05** Accomplishments
- 06** Budget

Oregon Department of Revenue



What We Do in Personal Income Tax



Largest source of
revenue for the state



Brought in \$25 billion for
Oregon in the 2021–23
biennium



Over 2.2 million tax
returns processed in
2024

Personal Income Tax Basics



Follow federal law
with adjustments
for Oregon



Federal connection
allows for ease of
administration



The “kicker”
is unique to
Oregon

We Focus on Voluntary Compliance



Assistance to make filing easy and accessible



Education to provide support through information and outreach



Enforcement to encourage compliance through audits and reviews

How We Do It



Call centers



Online self-services



Five field offices

Enforcement Activity



Audit



Discovery



Filing enforcement

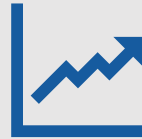


Return processing
adjustments

Fraud by the Numbers

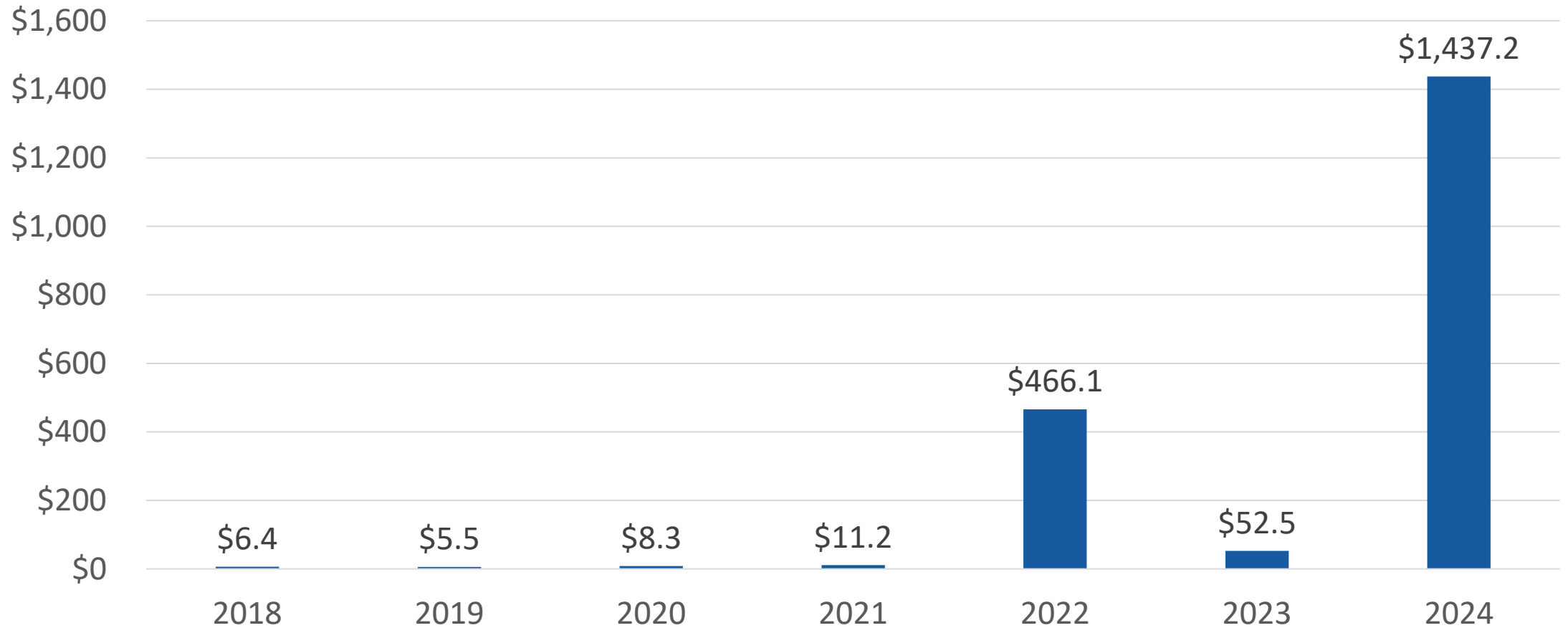


Stopped \$1.4 billion

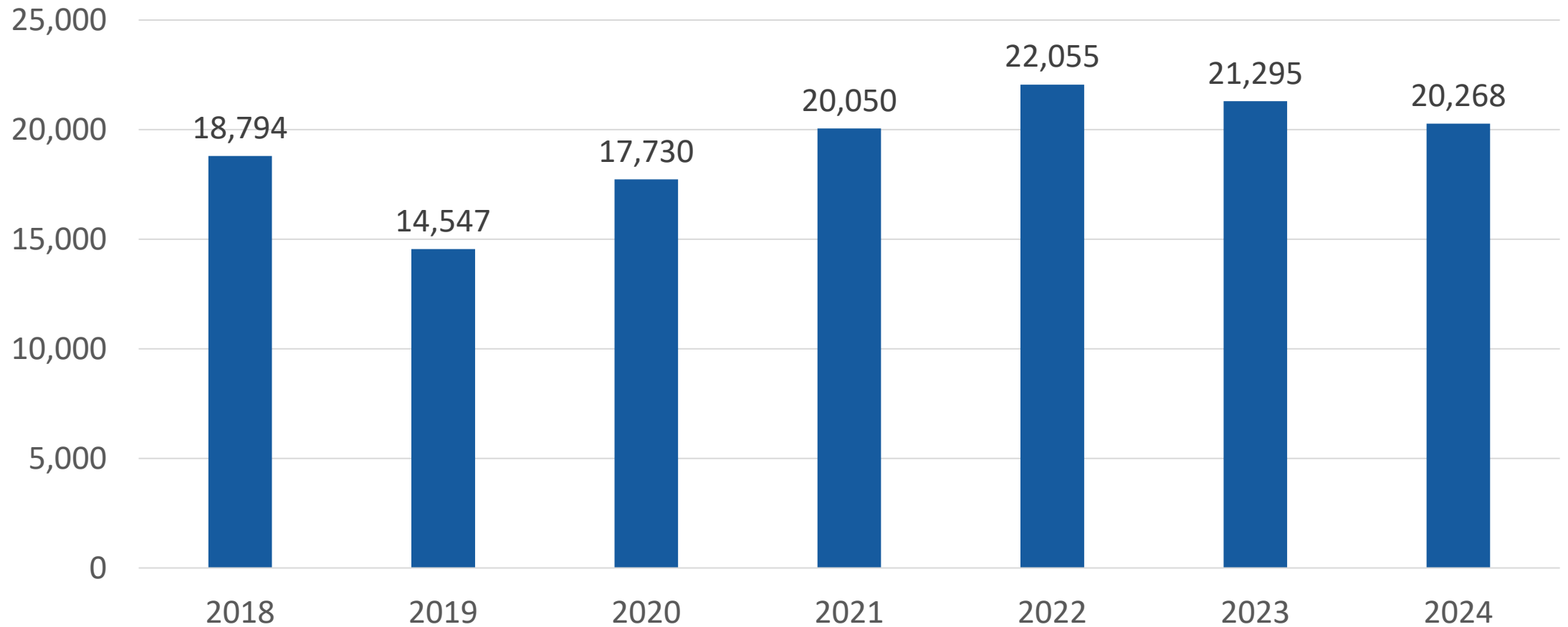


Stopped over 20,000 returns

Fraud Stopped Over Time (Millions)

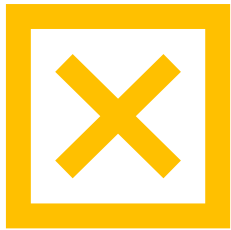


Returns Stopped Over Time



Key Performance Measures

KPM #1



Average days to process personal income tax refund

Target: 12 days

Actual: 13 days

KPM #2



Percent of personal income tax returns filed electronically

Target: 94%

Actual: 94%

KPM #4



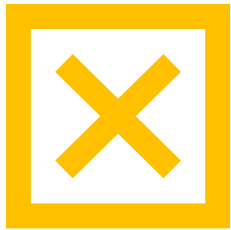
Customer service rating of “good” or “excellent”

Target: 95%

Actual: 82%

Key Performance Measures

KPM #5



Effective Taxpayer Assistance

Target: 85%

Actual: 79%

KPM #8



Direct Enforcement Dollars
Cost of Funds

Target: \$0.20

Actual: \$0.18

KPM #10



Cost of Assessments

Target: \$0.10

Actual: \$0.06



Challenges

Increased volume of work

Federal tax law changes

Modernizing our call centers

Creating a clear and easy
experience for our customers

Pass-through entity elective
tax

Direct File Oregon

“

*So easy and simple!!
Thank you!!*

”

“

Easy to do, and do not have to pay. Thank you OREGON DEPT OF REVENUE!!

”

“

How wonderfully easy!

”

“

It took me about one hour but it was new so I took it slow. Overall, it's great keep it for next year.

”

“

Having to click back through a bunch of questions I already answered if the session times out is a little tedious. Would be better if it started back where I left off, or if I could skip ahead. I hope we can use this to file federal taxes as well in the not too distant future.

”

Outreach



Where's My Refund





Legislative Mandates

Oregon Kids Credit

Voluntary Self-Identification

Personal Tax and Compliance Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	69,317,300	1,625,817	70,943,117	294	271.71
2025-27 CSL	77,901,662	1,927,133	79,828,795	296	278.47
2025-27 GRB	76,054,521	2,911,190	78,965,711	295	278.22
CSL-GRB Change	(1,847,141)	984,057	(863,084)	(1)	(0.25)



Megan Denison

Personal Tax and Compliance Division
Administrator

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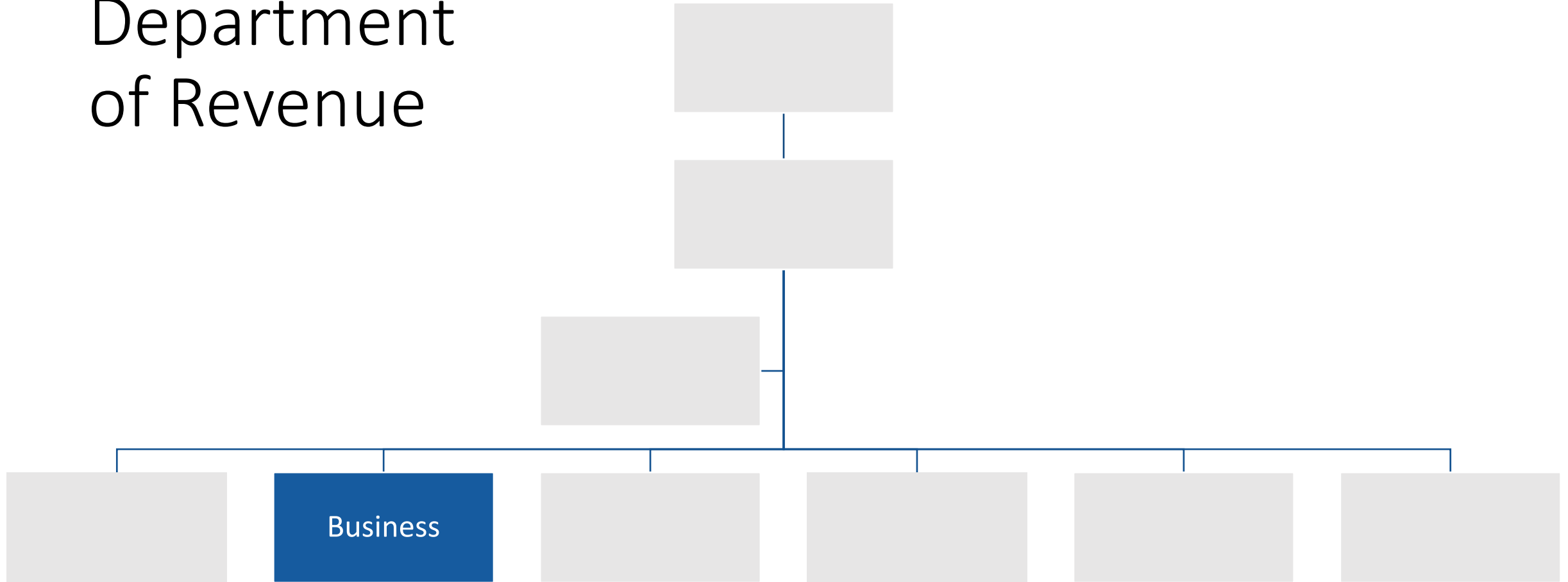
Business Division

Katie Lolley, Business Division Administrator

Topics

- 01** Division Overview
- 02** Key Performance Measures
- 03** Challenges
- 04** Accomplishments
- 05** Partnerships
- 06** Business Division Budget
- 07** Marijuana Division Budget
- 08** Corporate Division Budget

Oregon Department of Revenue



What We Do



Corporation & Estate Section



Withholding, Other Taxes, and Fees Section



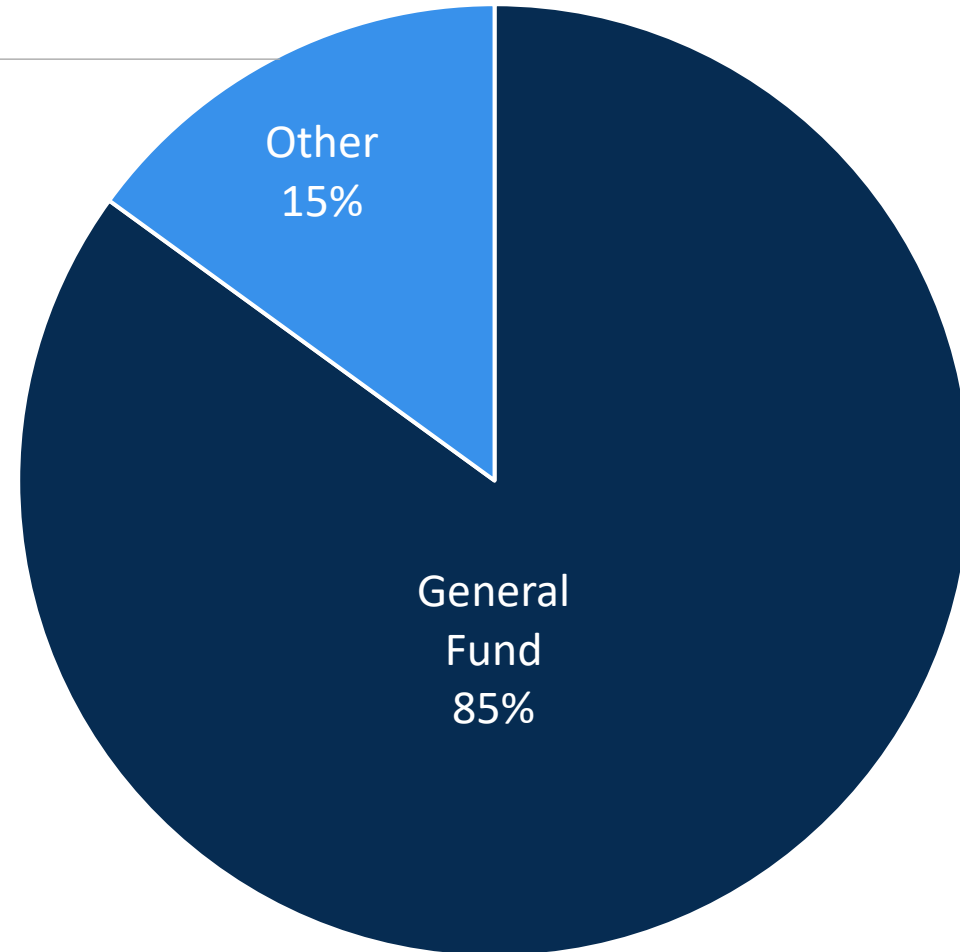
Oregon Special Business Programs Section (CAT)

Annual Revenue Distribution

\$15.8 Billion

Recipients of other 15 percent:

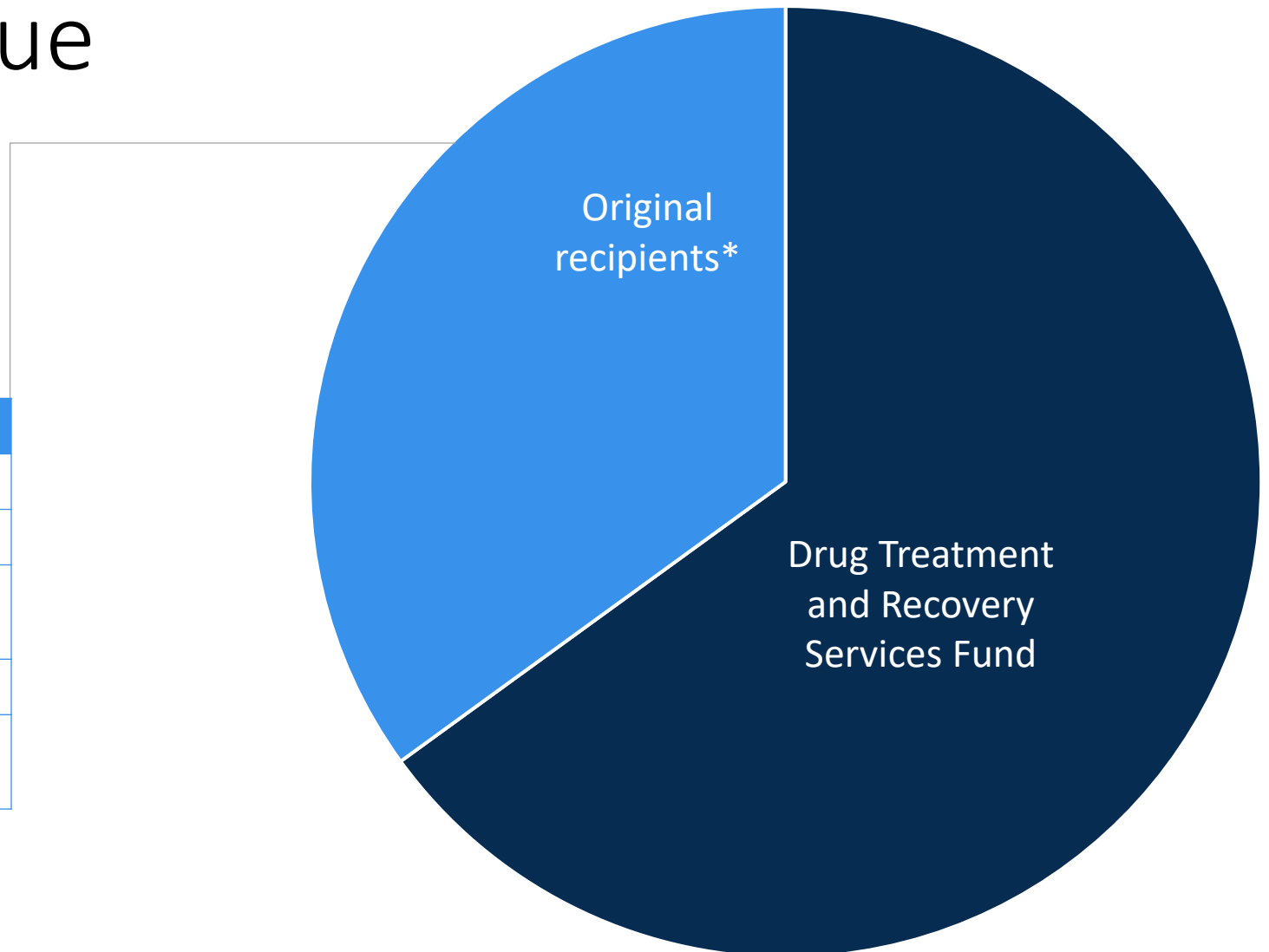
Cities and counties
Community Right to Know
Department of Environmental Quality
Office of Emergency Management
Office of State Fire Marshal
Oregon Department of Transportation
Oregon Health Authority
Oregon Youth Conservation
Travel Oregon
Local tourism organizations
Department of Education
State Police
Drug Treatment and Recovery Services Fund



Marijuana Revenue Distribution

\$144.3 Million

Original Recipients:	
40%	State School Fund
20%	Cities and Counties
20%	Mental Health, Alcoholism, and Drug Services
15%	State Police
5%	OHA for Drug Treatment and Prevention



*Amount adjusted annually for inflation

Program Goals

Voluntary compliance

Efficient and timely service

Enforcement





33.6K
Registrations



106.7K
Phone calls

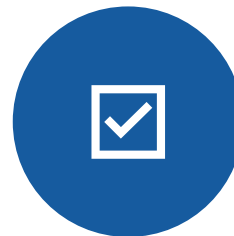


1.45M
Returns

How We Do It



109.8K
Enforcement
actions



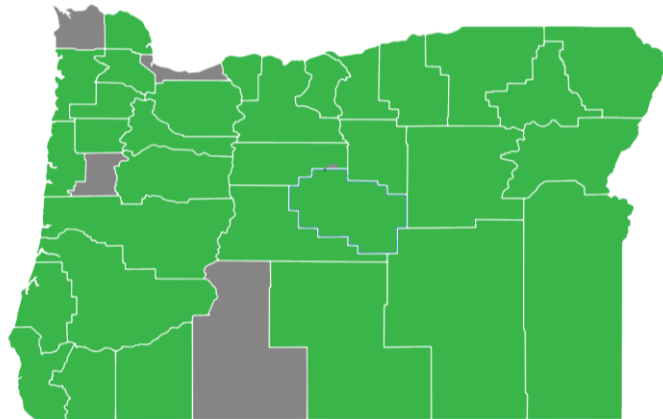
96
Outreach
events



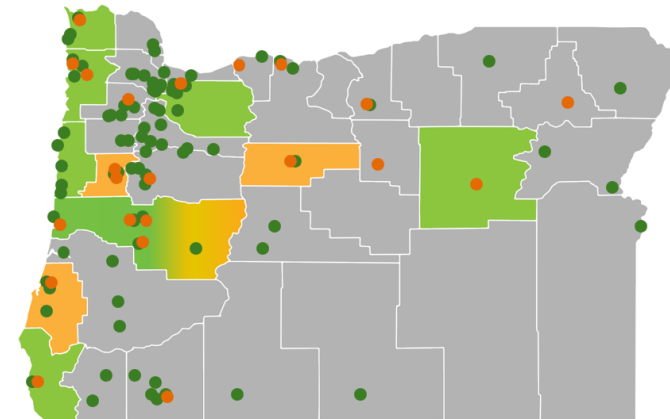
700
Appeals

Programs Administered for Oregon Localities

Tobacco Licensing



Transient Lodging and Marijuana



- Transient Lodging Cities
- Marijuana Cities
- Transient Lodging Counties
- Marijuana Counties

We also administer payroll and self-employment taxes for Tri-Met Transit and Lane County Transit.

Key Performance Measures

KPM #8



Direct Enforcement Dollars
Cost of Funds
Target: \$0.20
Actual: \$0.18

KPM #10



Cost of
Assessments
Target: \$0.10
Actual: \$0.06



Challenges

Combined payroll report
Integrating new programs
Hiring

New Programs Since 2018



Vehicle Use
Tax



Vehicle
Privilege Tax



Bicycle Excise
Tax



Statewide
Transit Tax



Heavy
Equipment
Rental Tax



Corporate
Activity Tax



Loaded Tank
Railroad Car
Fee



Inhalant
Delivery
Systems



Local Lodging
Tax
Administration



Tobacco Retail
License



Psilocybin Tax



Paid Leave
Oregon



Kratom
Processor
Registration



Coordinated
Crisis Service
(988)

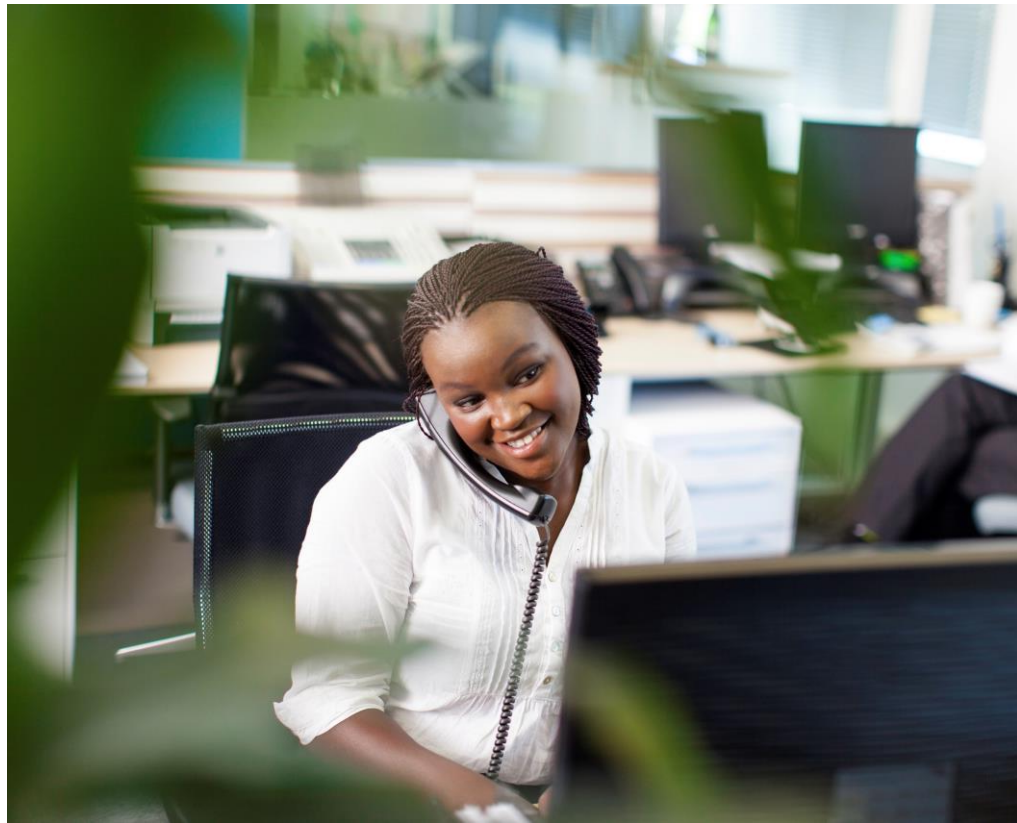


Accomplishments

Employer concierge service

Process improvements

Training



Partnerships



Business Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	24,571,914	16,302,712	40,874,626	141	138.88
2025-27 CSL	27,192,306	17,839,644	45,031,950	141	140.00
2025-27 GRB	25,374,686	18,759,777	44,134,643	141	140.00
CSL-GB Change	(1,817,620)	920,133	(897,487)	-	-

Marijuana Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	-	4,201,266	4,201,266	10	10.00
2025-27 CSL	-	4,510,876	4,510,876	10	10.00
2025-27 GRB	-	4,423,164	4,423,164	10	10.00
CSL-GB Change	-	(87,712)	(87,712)	-	-

Corporate Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	-	17,319,598	17,319,598	50	50.00
2025-27 CSL	-	18,926,697	18,926,697	50	49.23
2025-27 GRB	-	18,452,795	18,452,795	50	49.23
CSL-GB Change	-	(473,902)	(473,902)	-	-



Katie Lolley

Business Division Administrator

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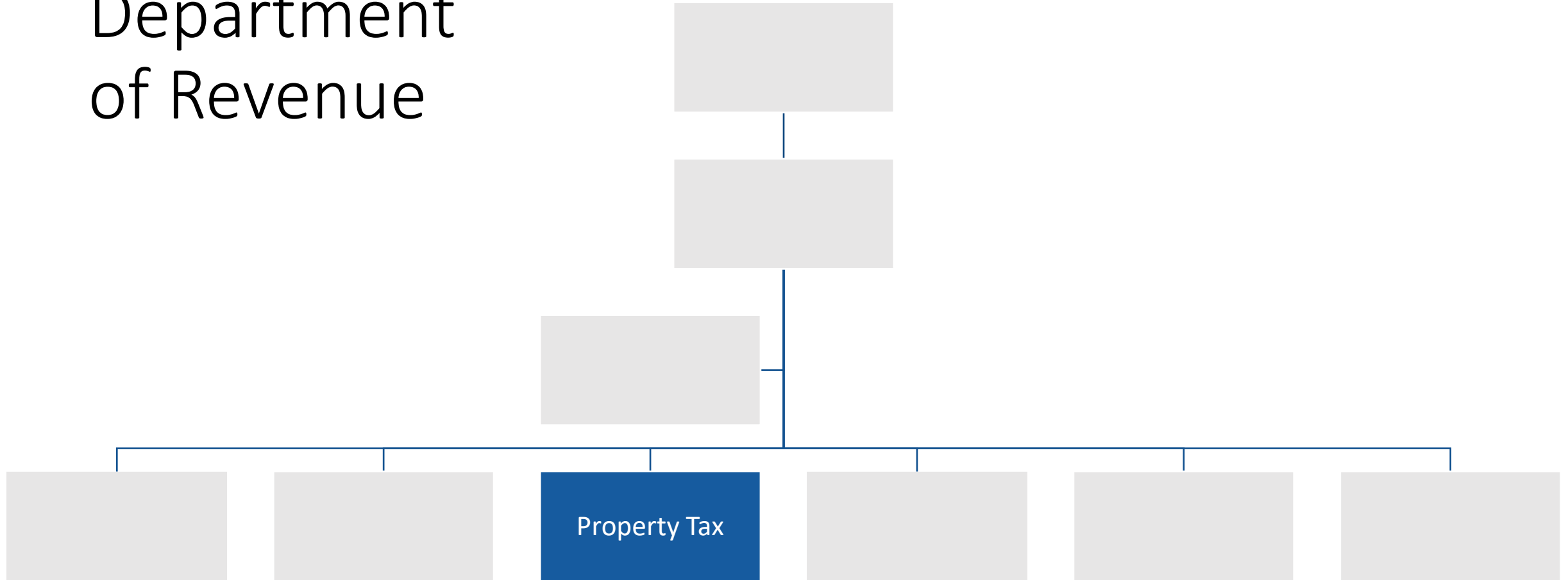
Property Tax Division

Bram Ekstrand, Property Tax Division Administrator

Topics

- 01** Division Overview
- 02** Property Tax System Oversight
- 03** Timber Tax Programs
- 04** Industrial Valuation and Central Assessment
- 05** How We Are Doing
- 06** Challenges
- 07** Budget
- 08** Senior & Disabled Citizen Property Tax Deferral

Oregon Department of Revenue



What We Do



We oversee the property tax system and provide technical assistance to local governments



We determine the value of private forestland and administer timber tax programs



We value industrial and centrally assessed property

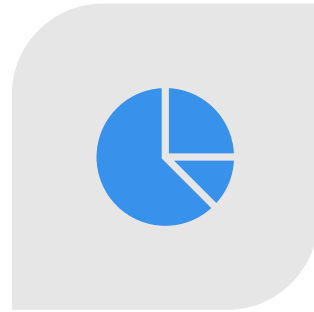


We support bringing in \$17 billion in county property tax revenue this biennium

Oversight and Technical Assistance



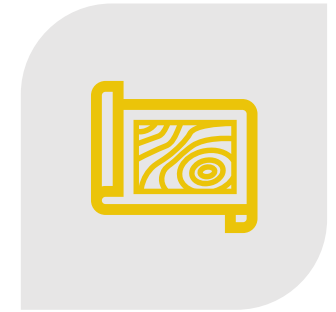
Administer grant programs



Provide oversight to ensure property values reflect market conditions



Provide appraiser training



Provide mapping standards and services

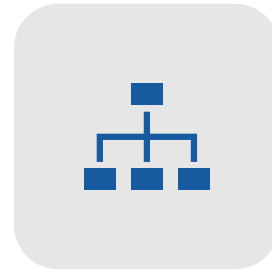
Community and Partner Engagement



County
assessment staff



Taxing districts



County
management



Focused interest
groups

The Oregon Map (ORMAP)



\$1 Recording fee



87% Digital



20 counties ORMAP
met highest standard

Forestland Valuation and Timber Taxes

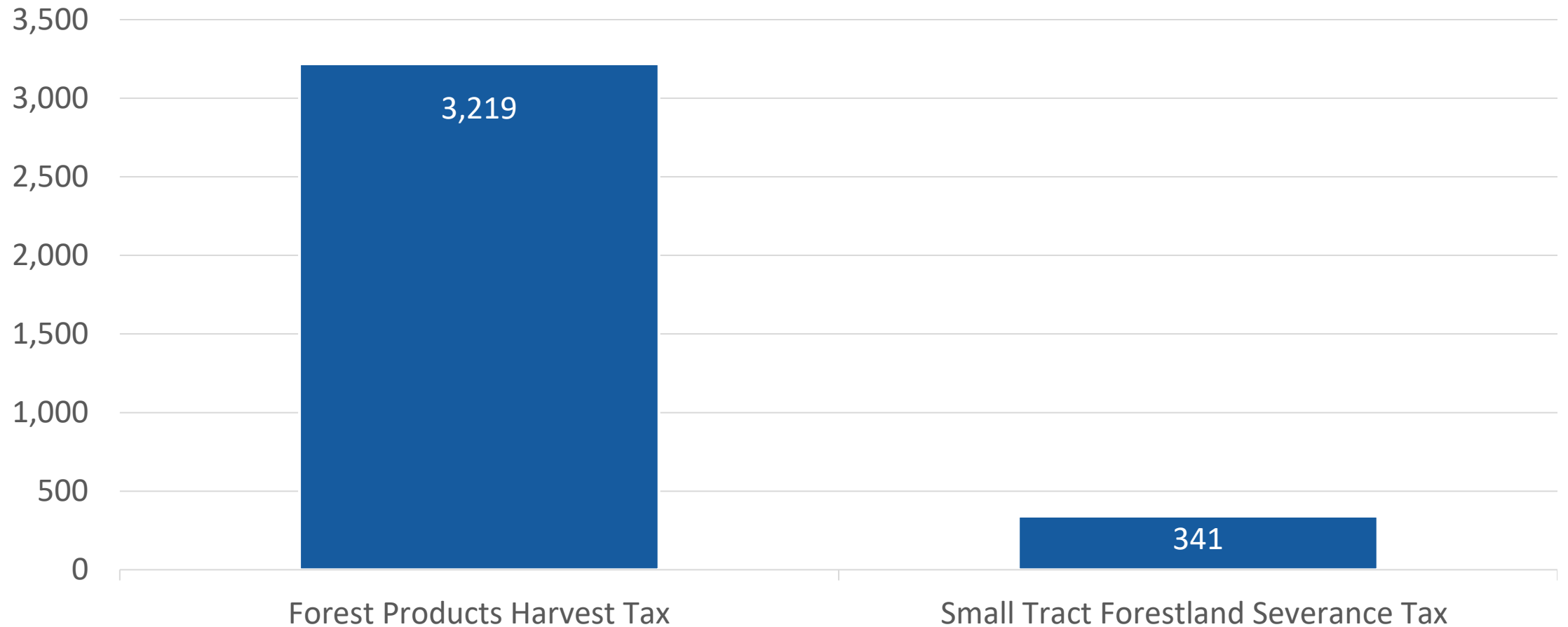
Our private forestland values
resulted in \$51 million in
taxes paid to counties

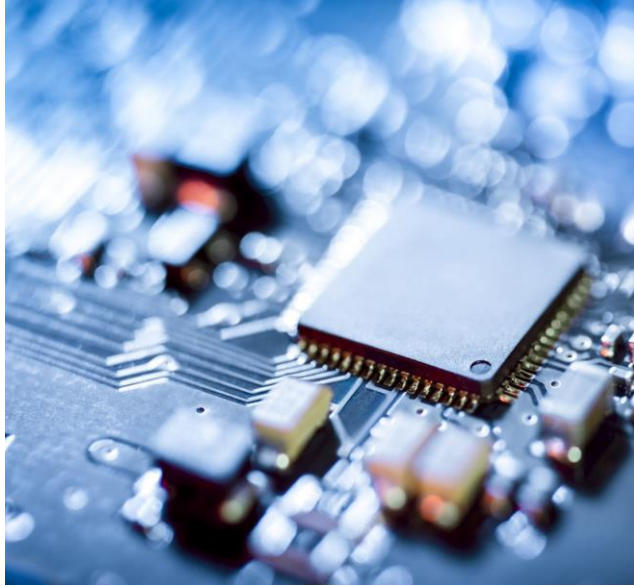
Timber taxes generated
about \$40 million in revenue

Participation in timber tax
programs is stable



Participation in Timber Tax Programs by Number of Tax Returns





Industrial Valuation

Electronics

Wood

Technology

Food processing



Central Assessment

Railroads

Airlines

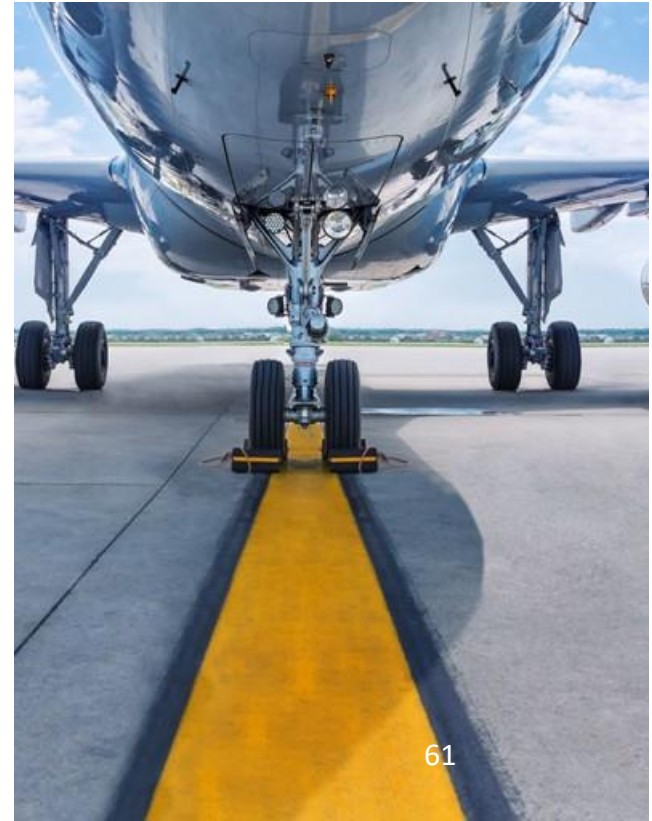
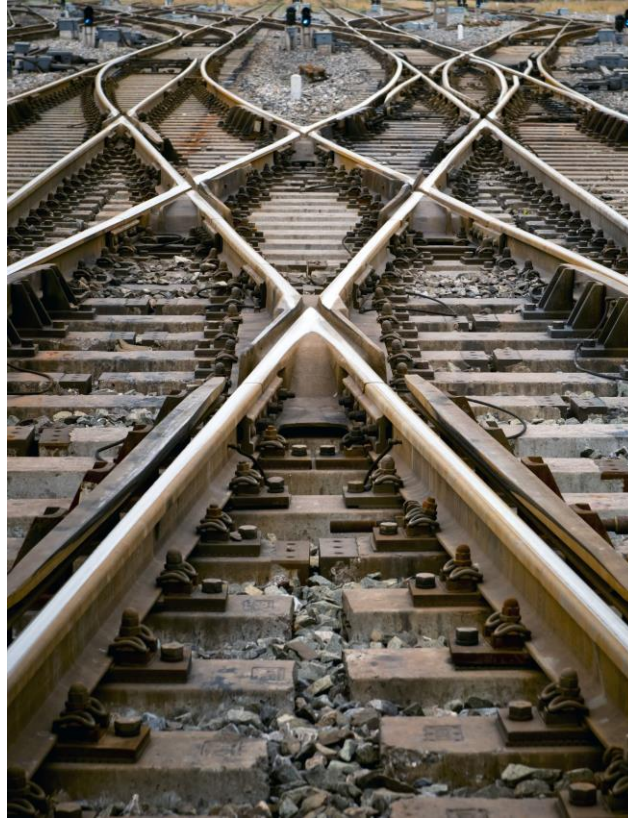
Pipelines

Communication
companies

Energy
transmission

Solar farms

Wind farms



Key Performance Measures

KPM #6



Appraisal Program Equity
and Uniformity

Target: 98%

Actual: 96%

KPM #7



Appraisal Value
Uniformity

Target: 12%

Actual: 12%

Process Boundary Changes in Half the Time

Completed
within 30 days

Statutory
requirement



Completed 62
percent within
14 days

Actuals
2024-25



Continuous Improvement



Metrics



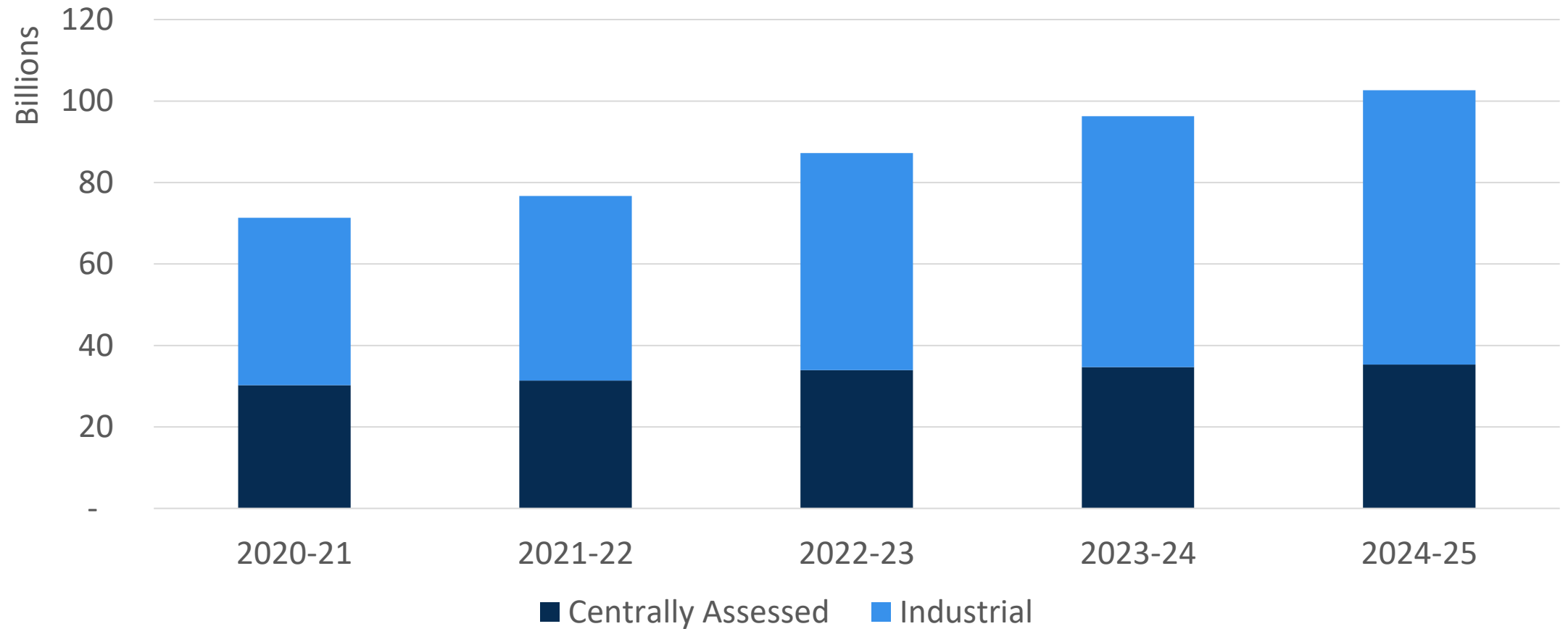
Training



After action reviews

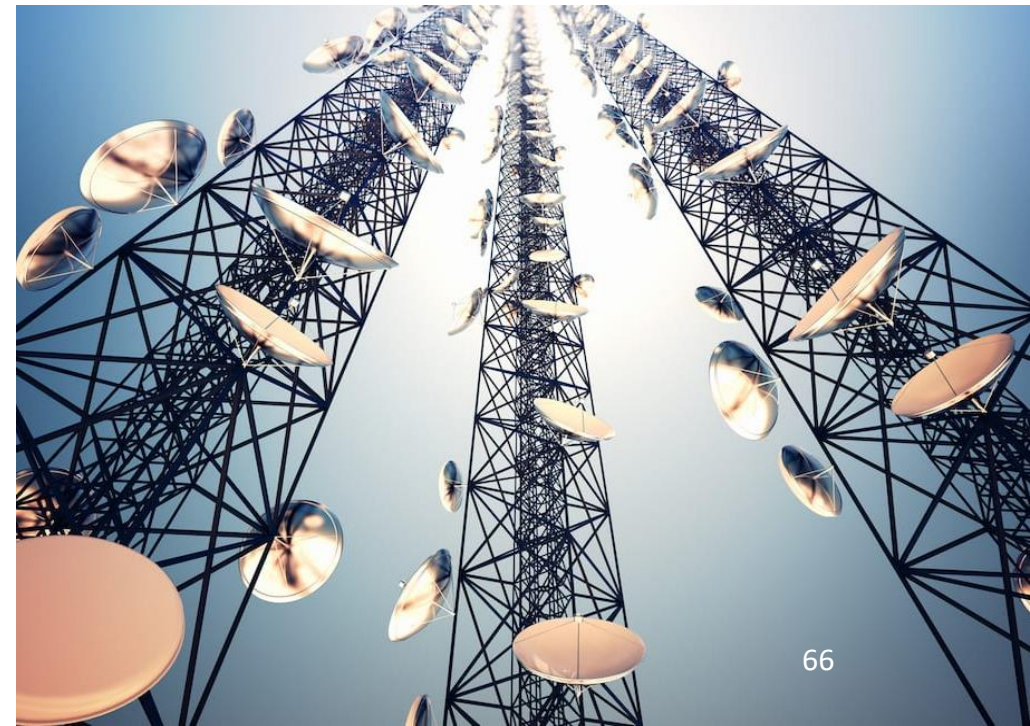
Workload Increases as Property Value Increases

Value of Total Property Appraised



Property Tax Division Modernization Efforts

- Central assessment
- Industrial



Property Tax Division Shortfall

Policy Option Package 102

POP 102 – Requested 2025-27

\$1.3 Million, 5.08 FTE



Property Tax Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	22,584,513	47,796,858	70,381,371	80	79.25
2025-27 CSL	24,226,185	39,007,442	63,233,627	79	73.92
2025-27 GRB	24,975,850	38,998,081	63,973,931	79	79.00
CSL-GRB Change	749,665	(9,361)	740,304	-	5.08



Senior & Disabled Citizen
Property Tax Deferral

How It Works



Seniors and people with disabilities apply to the program



The state pays their county property tax if they qualify



DOR recovers the taxes when the property no longer qualifies, such as when the home is sold

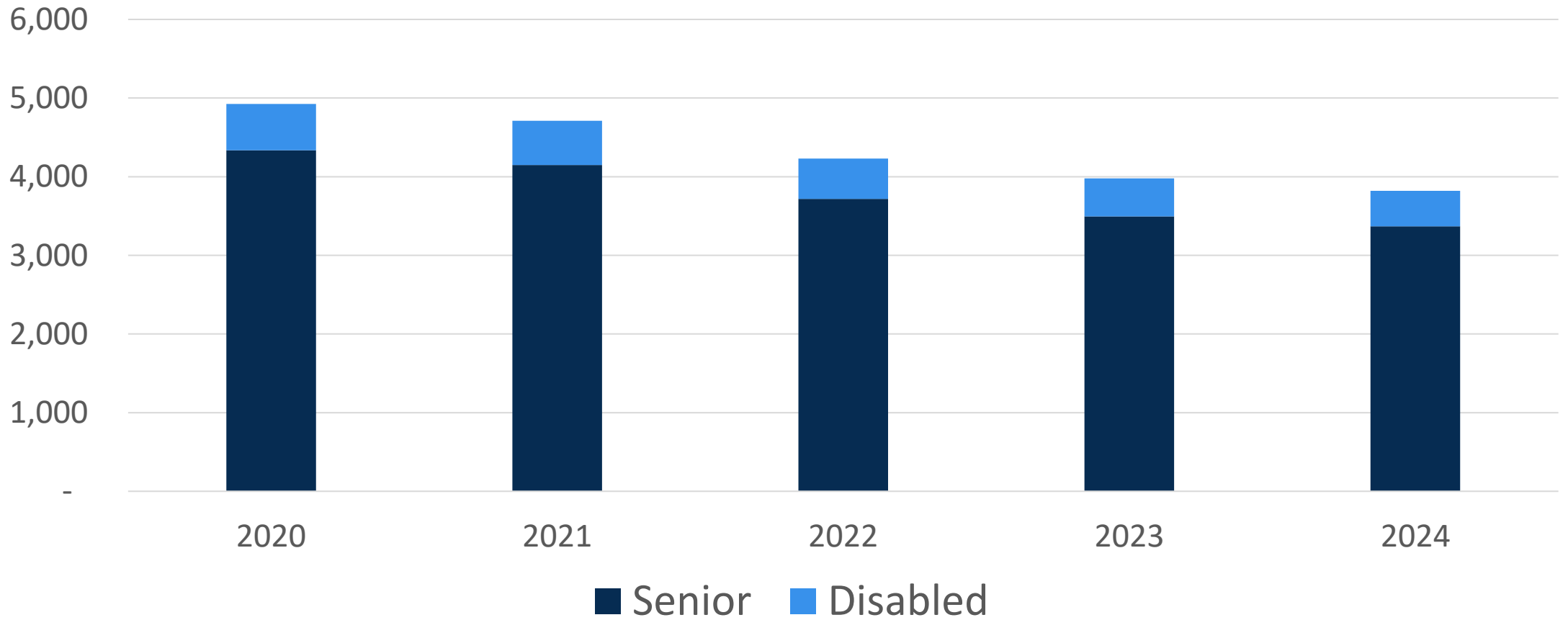
By the Numbers

We pay about \$12 million on behalf of participants annually

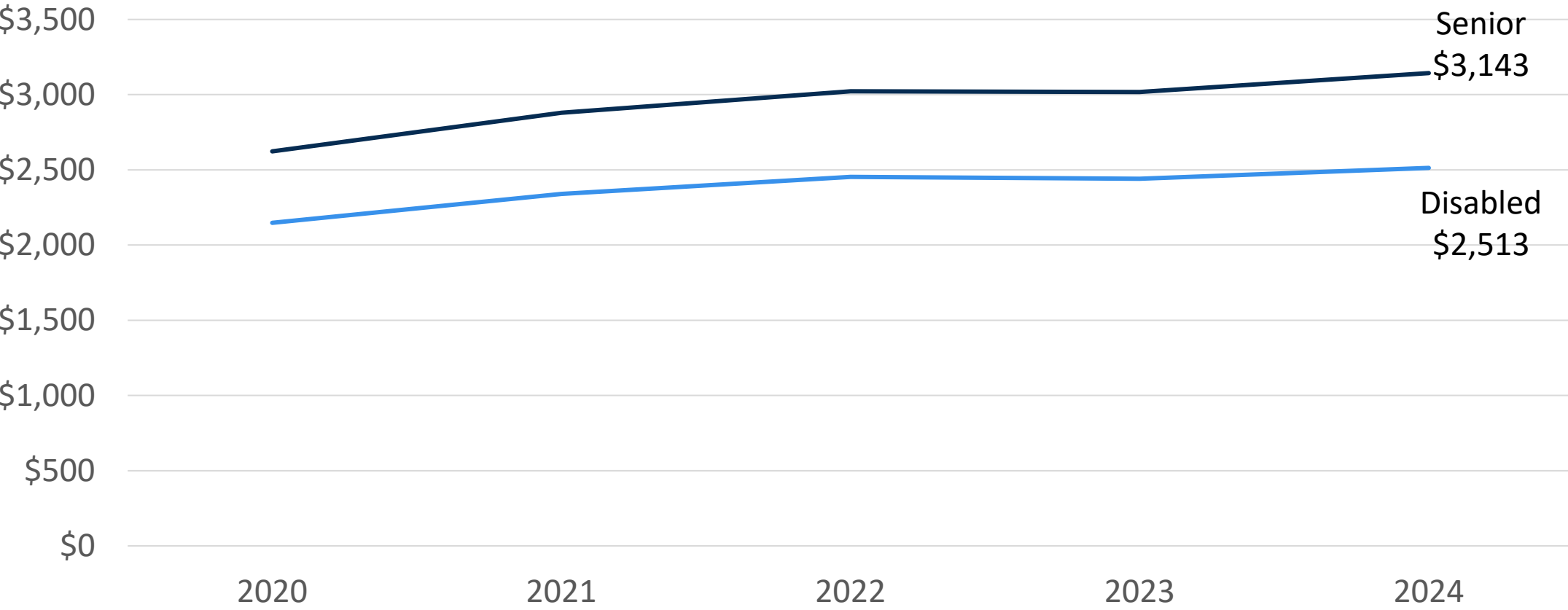
We help keep about 3,800 people in their homes



Program Participation



Average Tax DOR Pays per Household per Year



Senior & Disabled Citizen Property Tax Deferral Program Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	-	37,117,026	37,117,026	8	7.75
2025-27 CSL	-	24,661,197	24,644,865	9	7.34
2025-27 GB	-	24,644,865	24,644,865	9	7.34
CSL-GB Change	-	(16,332)	(16,332)	-	-



Bram Ekstrand

Property Tax Division Administrator

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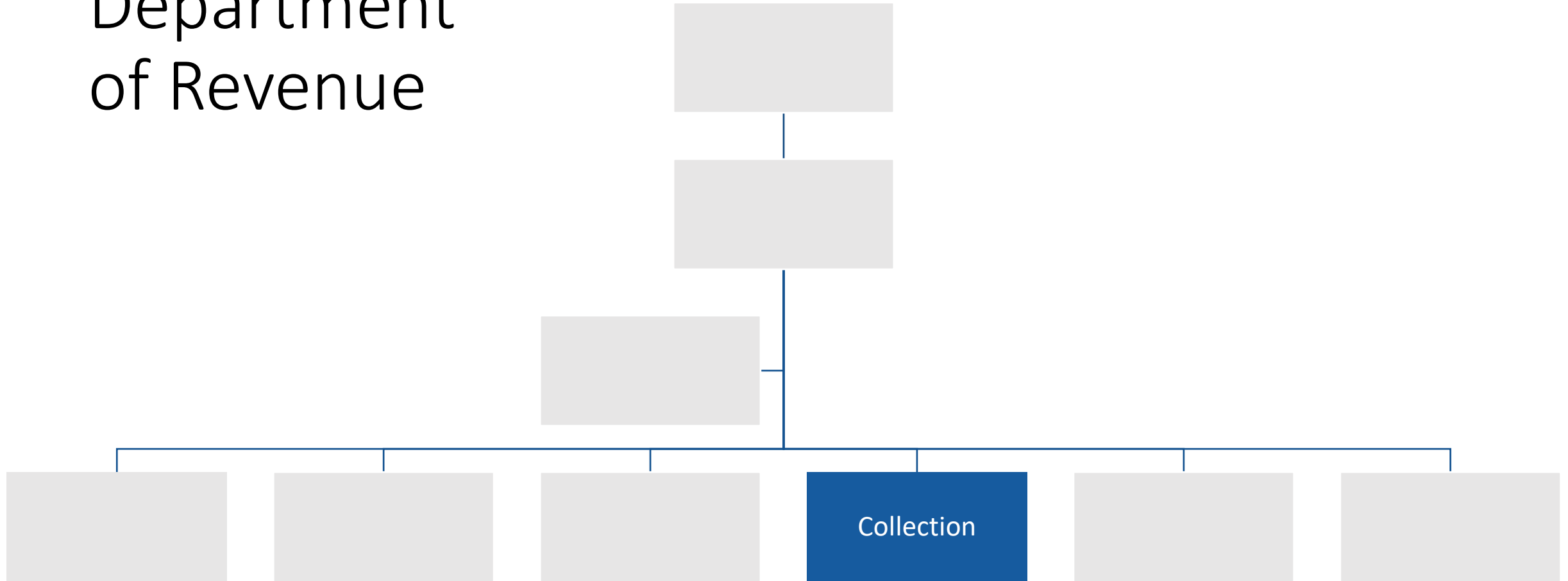
Collection Division

Deanna Mack, Collection Division Administrator

Topics

- 01** Division Overview
- 02** Debt Portfolio
- 03** Key Performance Measures
- 04** Challenges
- 05** Budget

Oregon Department of Revenue



Background

2021: Collection Division created

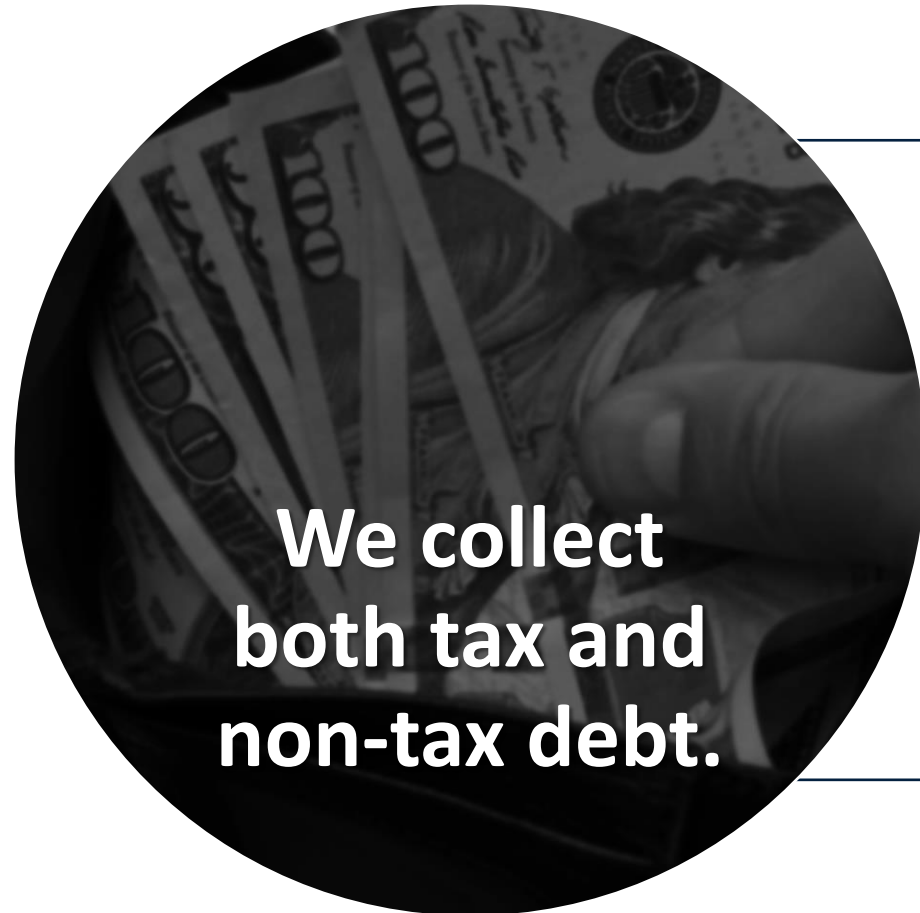
Tax collection units collect tax debt for over 40 programs we administer

Other Agency Accounts Section provides services for over 200 entities

Operations, Policy & Systems section supports division



Debt Portfolio



Tax debt in active collection by DOR



Other Agency Accounts in active collection by DOR



Debt assigned to private collection firms (both tax debt and Other Agency Accounts)

How We Collect



Initial billing



Active collection
by DOR



Private collection
firms

FY 2024 Debt Collection Rates

15.7%
collection rate



Tax debt collected
at DOR

5.9%
collection rate



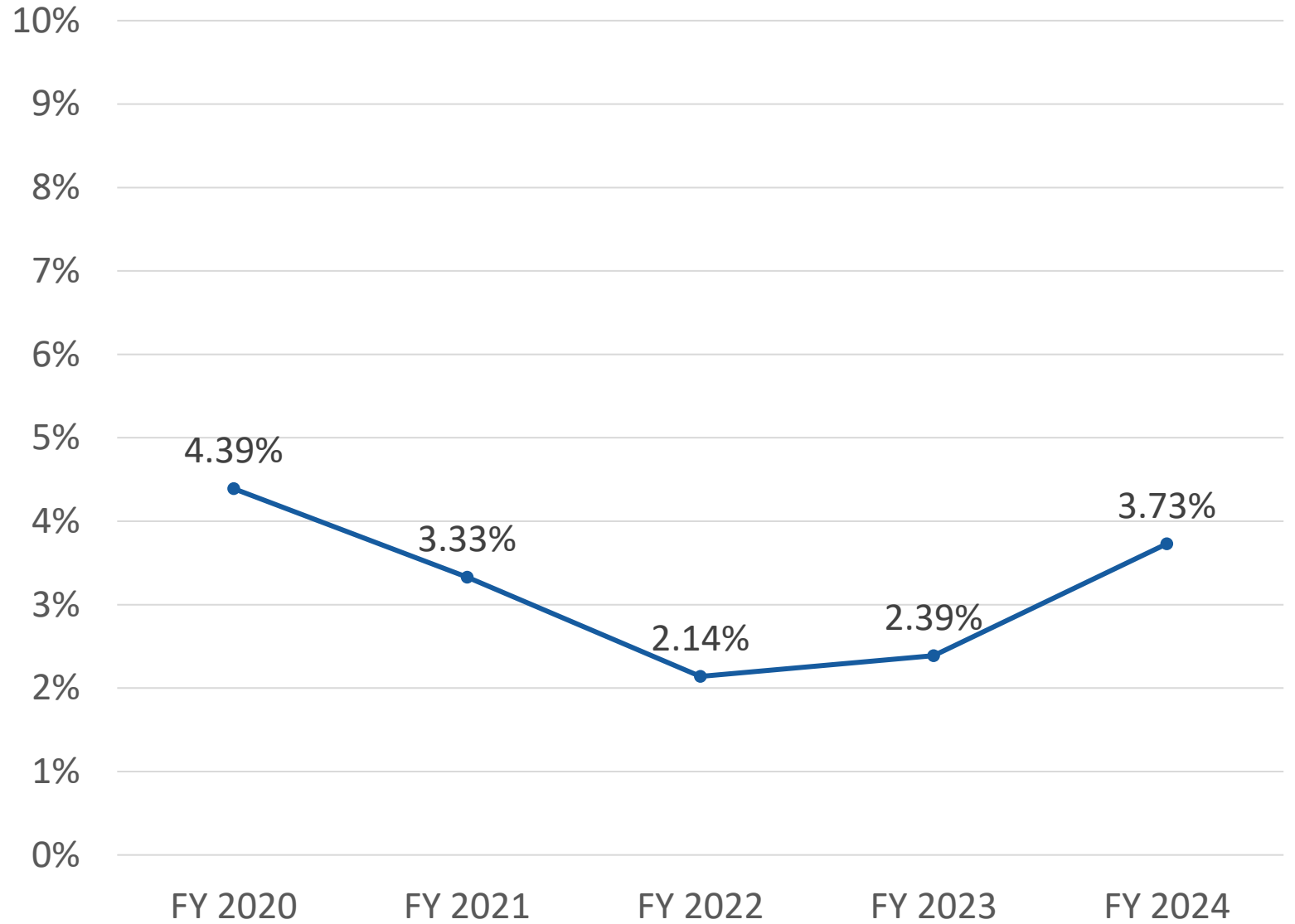
Other Agency
Accounts collected
at DOR

2.4%
collection rate



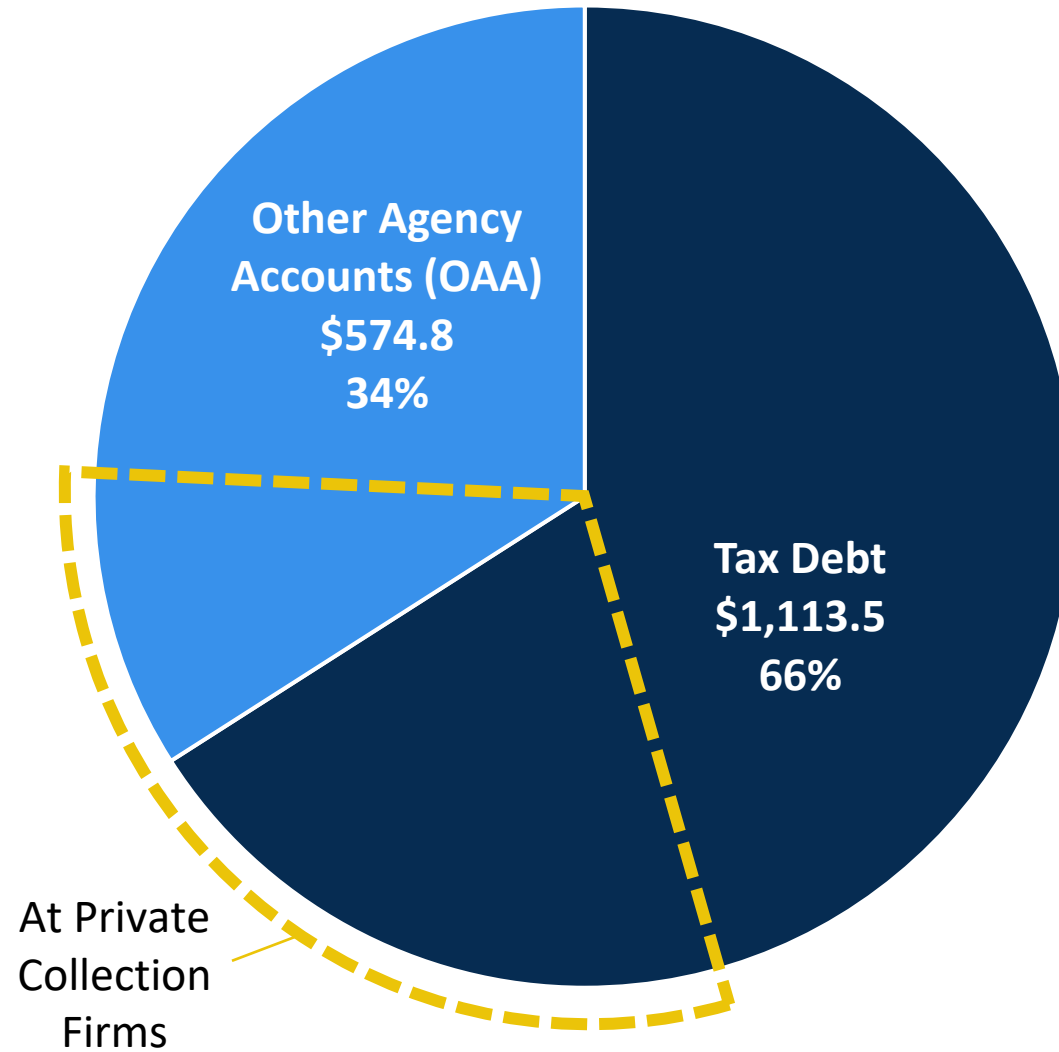
Debt assigned to
private collection
firms

On average,
under 4
percent of
taxes we
collect every
year end up
being
severely
past due

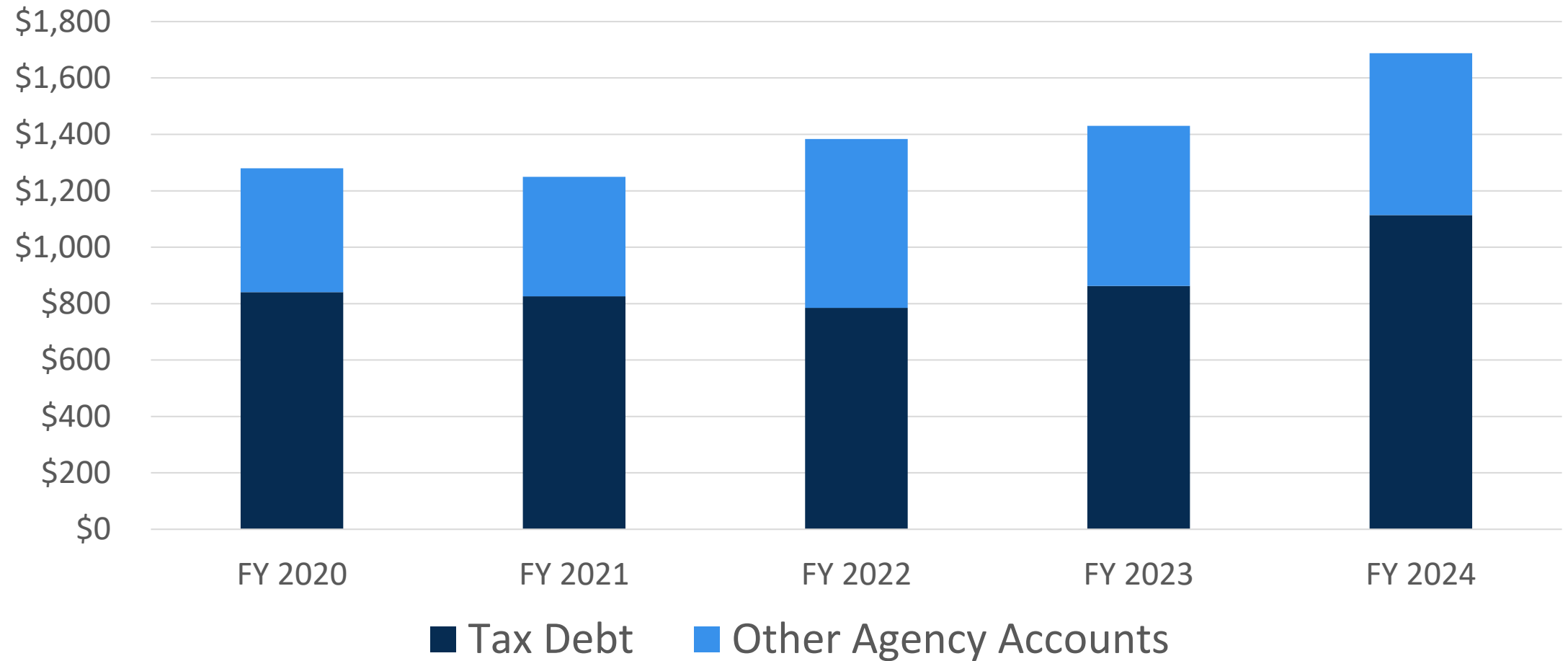


Debt Inventory FY 2024

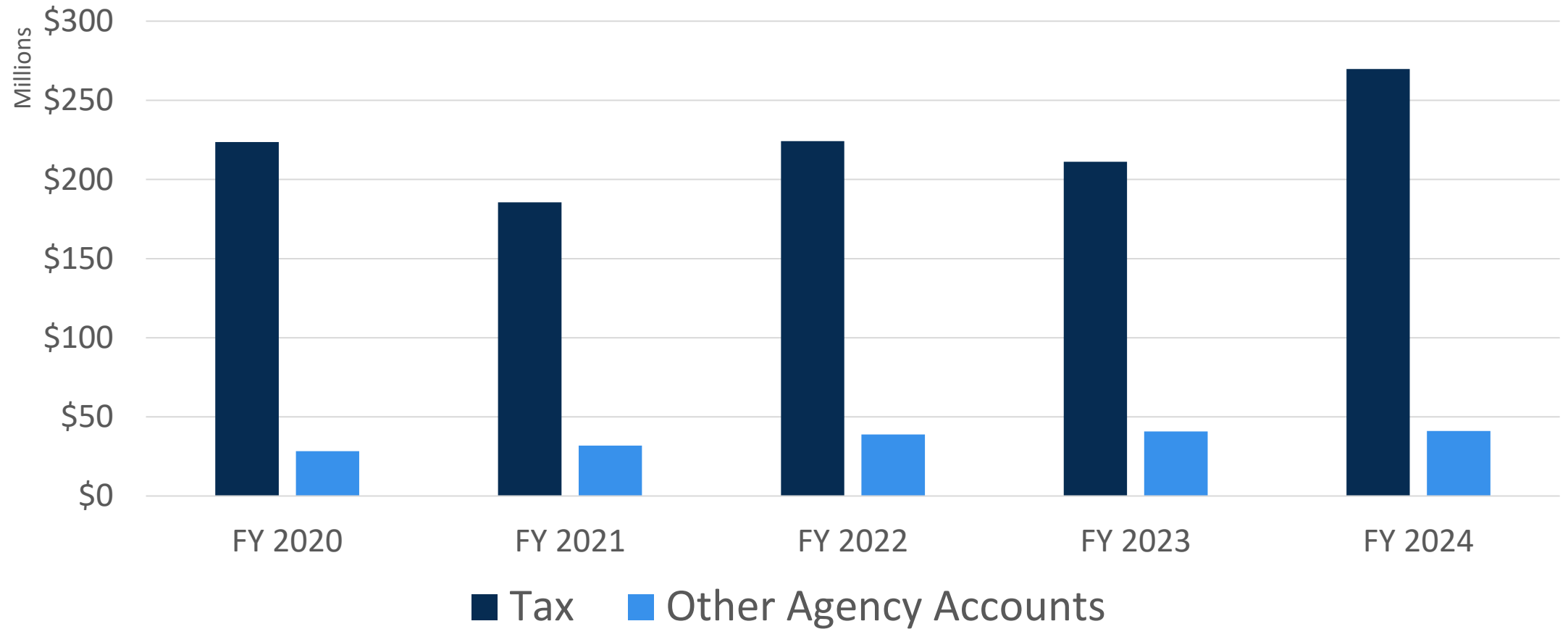
\$1.688 Billion



Historical Debt Inventory (in Millions)



Historical Collections (in Millions)



Our 2025–27 Collection Projections



Other Agency Accounts: about \$100 million



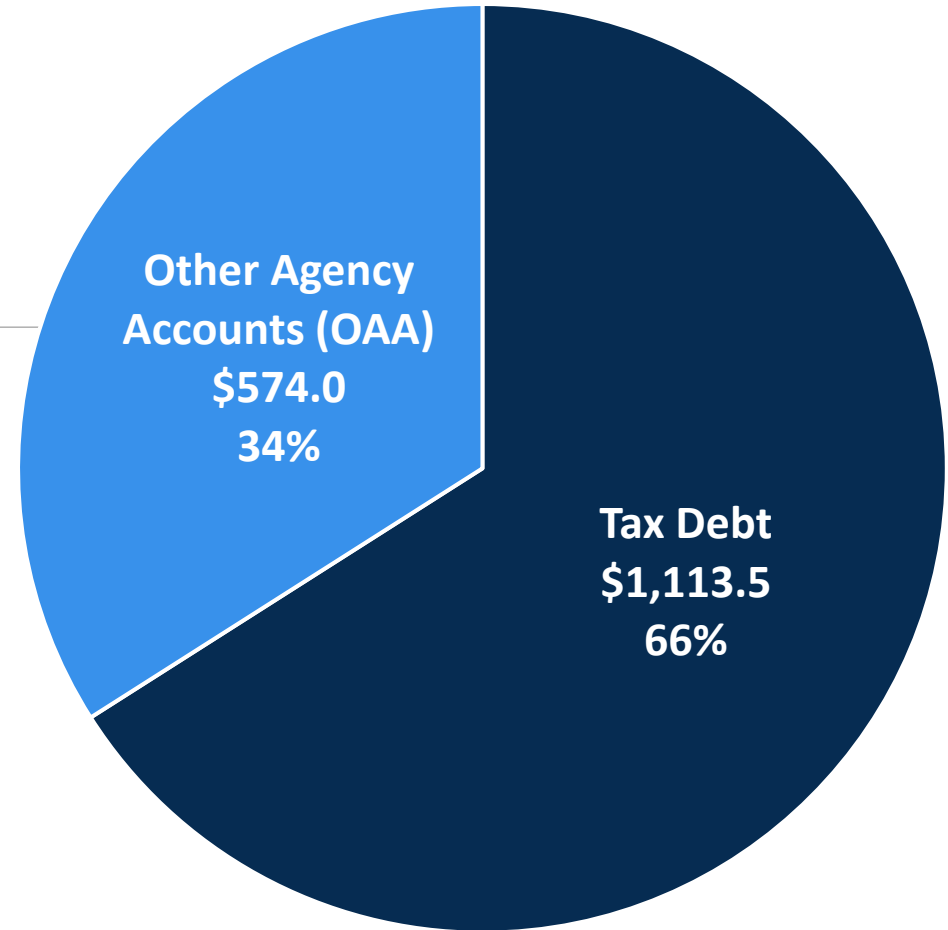
Tax collection: about \$440 million



Based on historic monthly collections

Composition of Other Agency Accounts

Agency	Amount (millions)
DCBS	\$237.9
OJD	\$198.1
OED	\$40.8
ODOT	\$16.4
OHSU	\$11.1
Others	\$69.7
Total	\$574.0



Uncollectable Debt in Fiscal Year 2024



\$2.2 million forgiven in
settlement offers

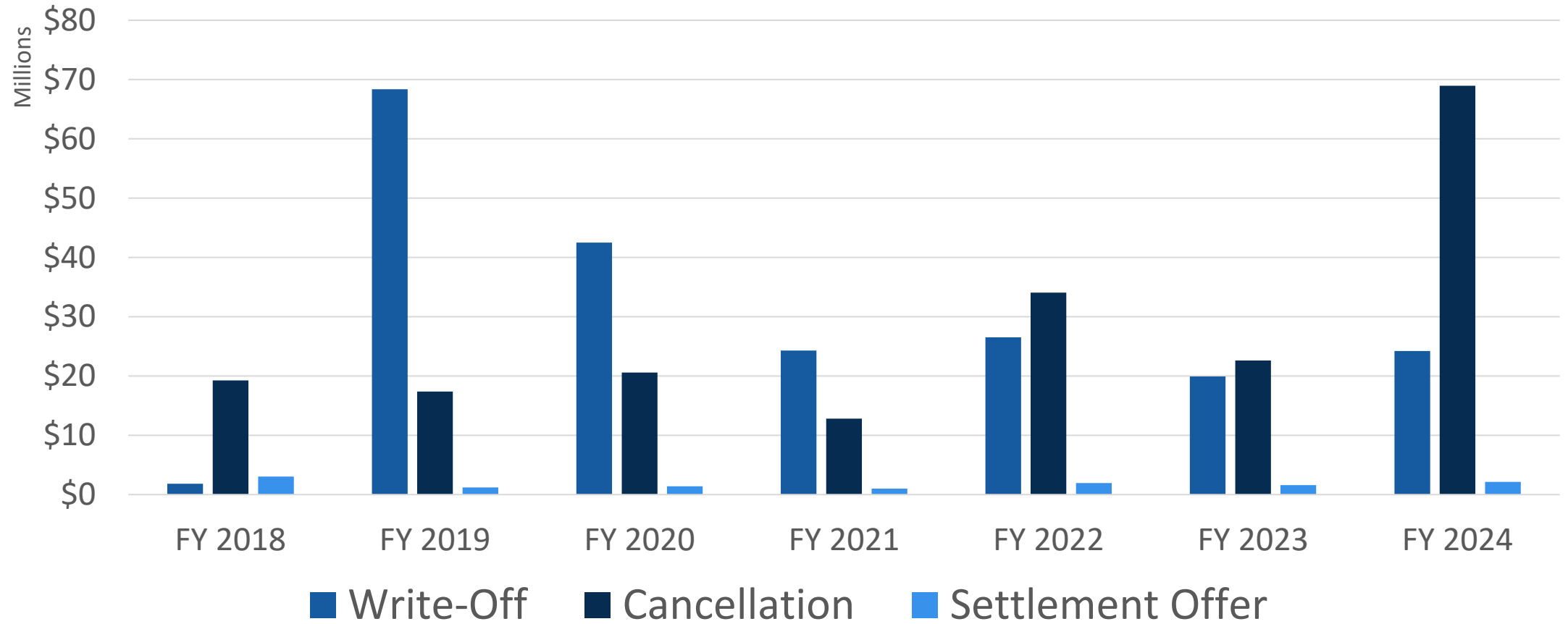


\$24.2 million in write-offs



\$68.9 million in cancellations

Historical Uncollectable Debt (in Millions)



Key Performance Measure

KPM #9



Collection Dollars
Cost of Funds

Target: \$0.10

Actual: \$0.06

Challenges

Maintaining staffing levels

Continuous improvement

Analytics





Accomplishments

Delinquent taxpayer list

OLCC tax compliance checks

Settlement offer improvement

Collection scoring

Garnishment protections SB 1595

Paid Leave Oregon, Centralized Collections

Policy Option Package 106

POP 106 – Requested 2025-27

\$1.9 Million (OF)

11 positions, 9.63 FTE



Collection Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	36,744,225	20,129,445	56,873,670	250	247.93
2025-27 CSL	39,794,946	21,414,514	61,209,406	248	247.25
2025-27 GB	37,542,091	23,723,680	61,265,771	259	256.93
CSL-GB Change	(2,252,855)	2,309,166	56,311	11	9.68



Deanna Mack

Collection Division Administrator

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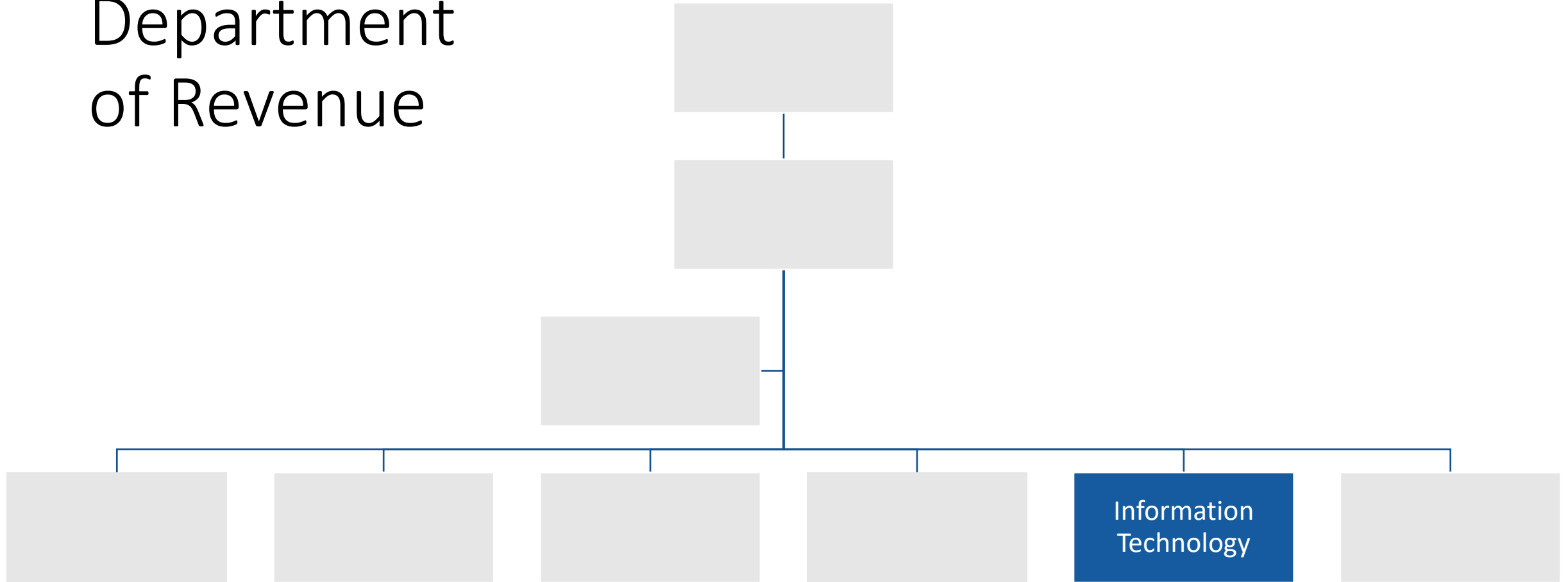
Information Technology Services Division

Jon Dolan, Information Technology Services
Division Administrator

Topics

- 01** Division Overview
- 02** Information Technology Section
- 03** Processing Center Section
- 04** Major Changes and Accomplishments
- 05** Requested Budget and Desired Results
- 06** Challenges
- 07** Budget

Oregon Department of Revenue



Information Technology Section



Provide ongoing support for the agency's computer users



Maintain and support the agency's hardware and software portfolios

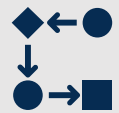


Manage the IT project portfolio and provide IT project management services

Processing Center Section



Process incoming paper returns and payments



Resolve posting errors for payments and returns, regardless of how the return was filed (electronic or paper)



Ensure clear, accurate, and taxpayer-friendly forms and publications for Oregon's taxpayers

By the Numbers



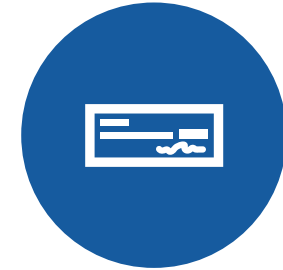
Support
over 1,000
employees' IT
needs



Bank over
\$20 billion in
tax payments
annually



Process over
390,000 paper
tax returns
annually



Maintain over
750 forms and
publications

Major Changes and Accomplishments



Process improvements
and automation



Direct File with IRS



Implementing new tax
programs



Processing Center
efficiencies



Call Center innovation



Enhancing User
Experience

IT Strategic Plan



Innovation



Empower the Agency

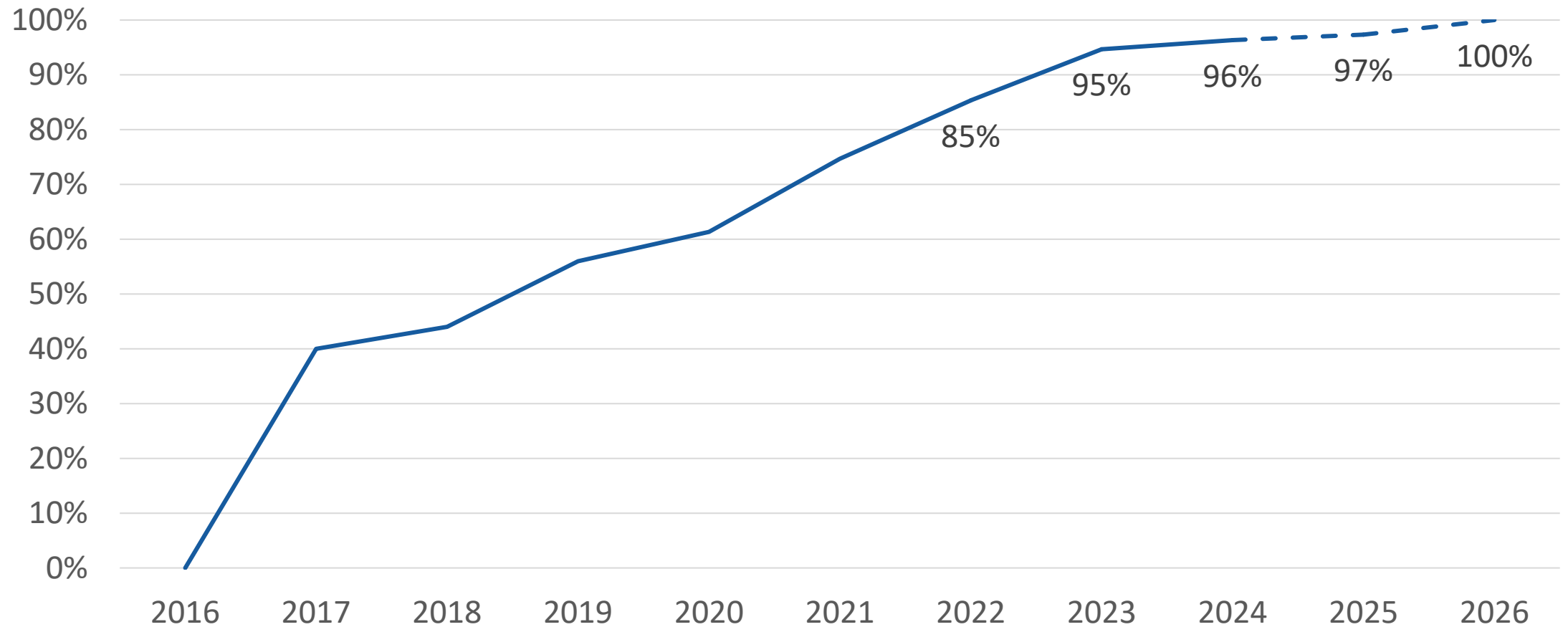


IT Service Delivery

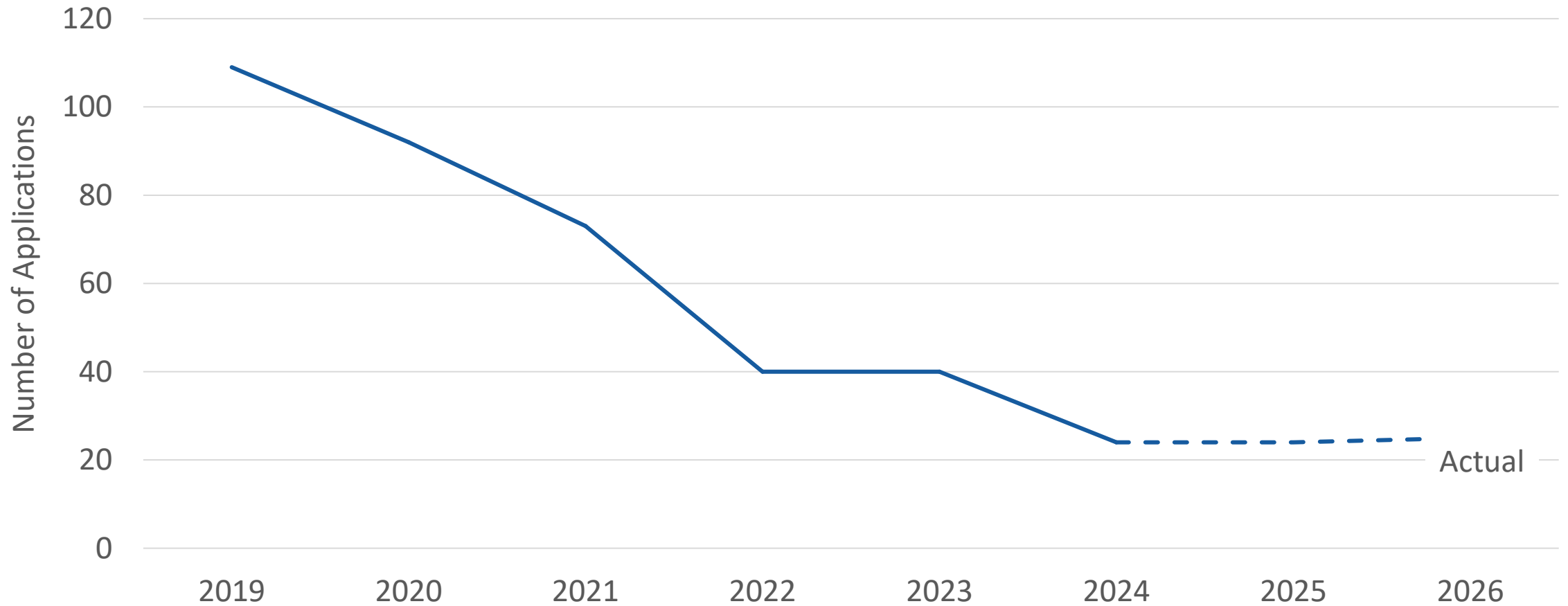


Invest in IT Staff

We Are On Track to Modernize All Systems by 2026



Simplifying Our Software Application Portfolio



Program Results



Mature IT Processes

Reliable Operations



ELVIS Support

Policy Option Package 101

To support and maintain the new Electronic Valuation Information System (ELVIS) for the Property Tax Division, Valuation Section.

Provides \$1.3M General Fund, \$397,736 Other Funds, and 3.2 FTE.



Challenges

All projects are IT projects now with increasing demands on automation and secure access to data

Increasing complexity of interconnected systems

Increased cybersecurity risks in operations and in implications for new advances in AI and other technologies



Information Technology Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	49,165,547	15,057,801	64,223,348	248	199.84
2025-27 CSL	51,923,470	15,481,630	67,405,100	229	194.81
2025-27 GRB	52,962,637	15,851,768	68,814,405	233	198.01
CSL-GRB Change	1,039,167	370,138	1,409,305	4	3.20



Jon Dolan

Information Technology Services

Division Administrator

Phone: 971-453-2091

Email: Jonathan.DOLAN@dor.oregon.gov



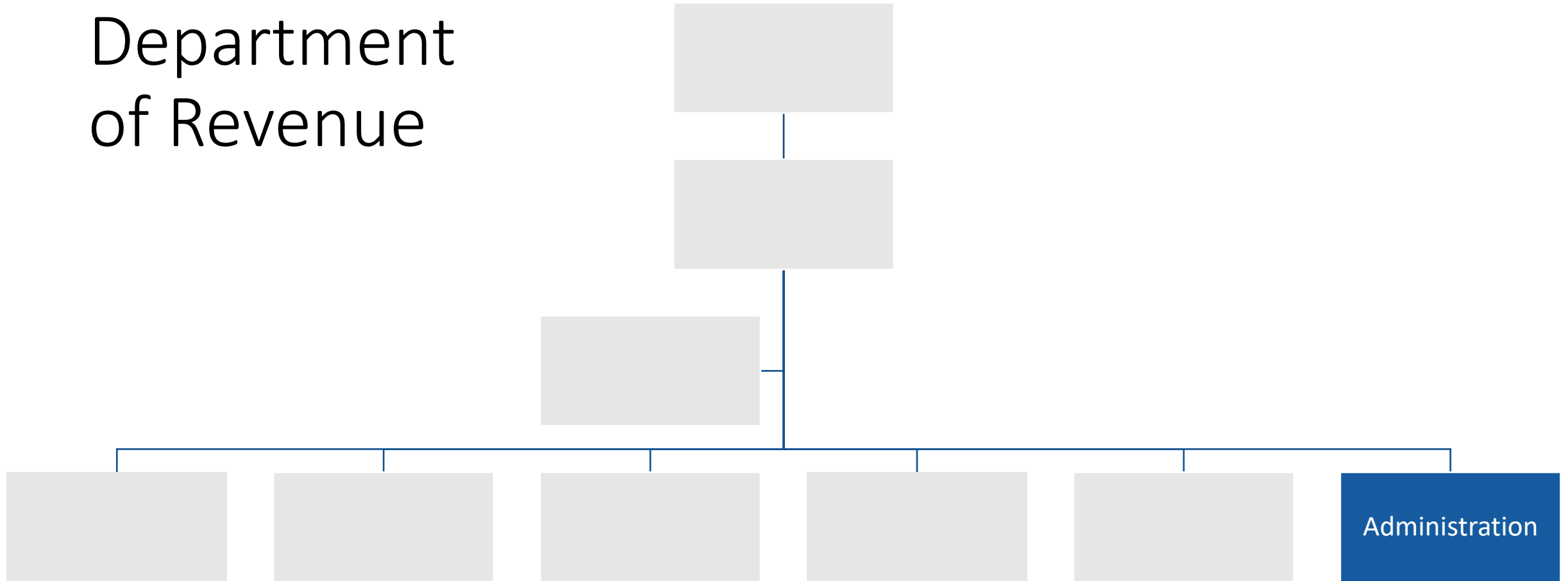
Administration Division

Satish Upadhyay, Deputy Director

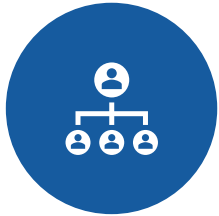
Topics

- 01** Division Overview
- 02** Summary of Programs
- 03** Key Performance Measures
- 04** Budget

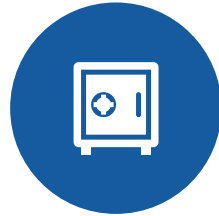
Oregon Department of Revenue



Division Overview



Director's Office



Financial Services



Communications



Human Resources



Research



Internal Audit



Internal Controls



Taxpayer Advocate

Process Improvement



Facilitated 15 process
improvement
workshops



Mapped
137 department
processes

Financial Services



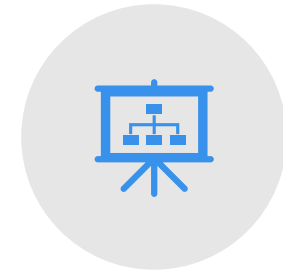
Manage \$45
billion per
biennium



Manage 63
revenue
streams



Addressed
longstanding
audit findings



Updated cost
allocation

Communications



2M
Website users



147K
Email
subscribers



5.7K
Social media
subscribers



6.6M
News release
reach

Social Media Content



IT'S TAX SEASON
WHERE'S MY REFUND?
Refund Processing Timeline

2:56

Where's My Refund

88K views • 10 months ago



REVENUE ONLINE

HOW TO SET UP AND LOG IN TO YOUR REVENUE ONLINE ACCOUNT FOR INDIVIDUALS

4:52

How to Set Up and Log In to Your Revenue Online Account for Individuals

44K views • 1 year ago



REVENUE ONLINE

HOW TO RESPOND TO A LETTER ONLINE

2:07

How to Respond to a Letter Online

40K views • 1 year ago



REVENUE ONLINE

HOW TO MAKE A PAYMENT ONLINE

2:20

How to Make a Payment Online

28K views • 1 year ago



OREGON KIDS CREDIT
Family Tax Benefit

3:19

Oregon Kids Credit

42 views • 3 months ago




CREDITO PARA NIÑOS DE OREGON
Beneficio Tributario Familiar

3:57

Crédito para niños de Oregon (En Español)

25 views • 10 days ago



HOW TO FILE YOUR TAX RETURN WITH

Direct File Oregon

Secure Easy

5:29

How to File Your Tax Return with Direct File Oregon

3.1K views • 9 months ago



NEW FORMS

Our Power of Attorney Form Has Changed

WATCH NOW

2:03

New Forms: Our Power of Attorney Form Has Changed

425 views • 1 month ago

Human Resources



Increasing employee
diversity



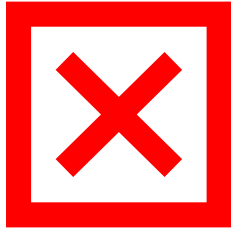
Decreasing turnover
rate



Decreasing time to
fill vacancies

Employee Training

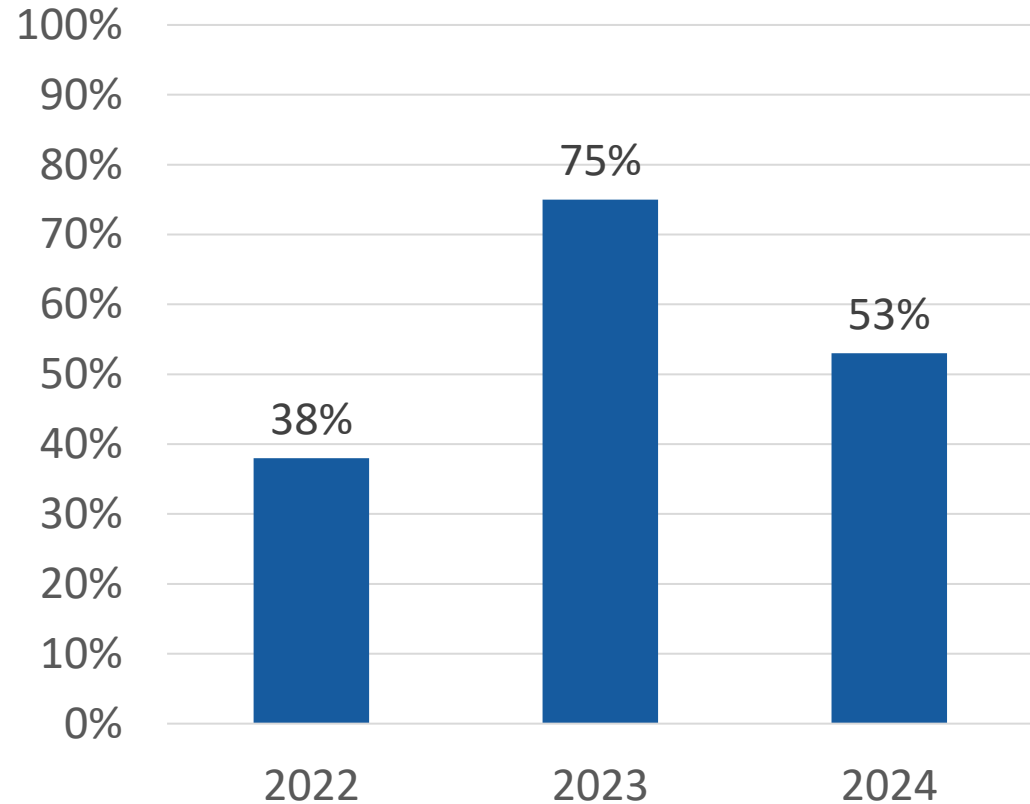
KPM #3



Employee Training
per Year

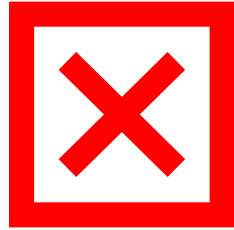
Target: 65%

Actual: 53%



Employee Engagement

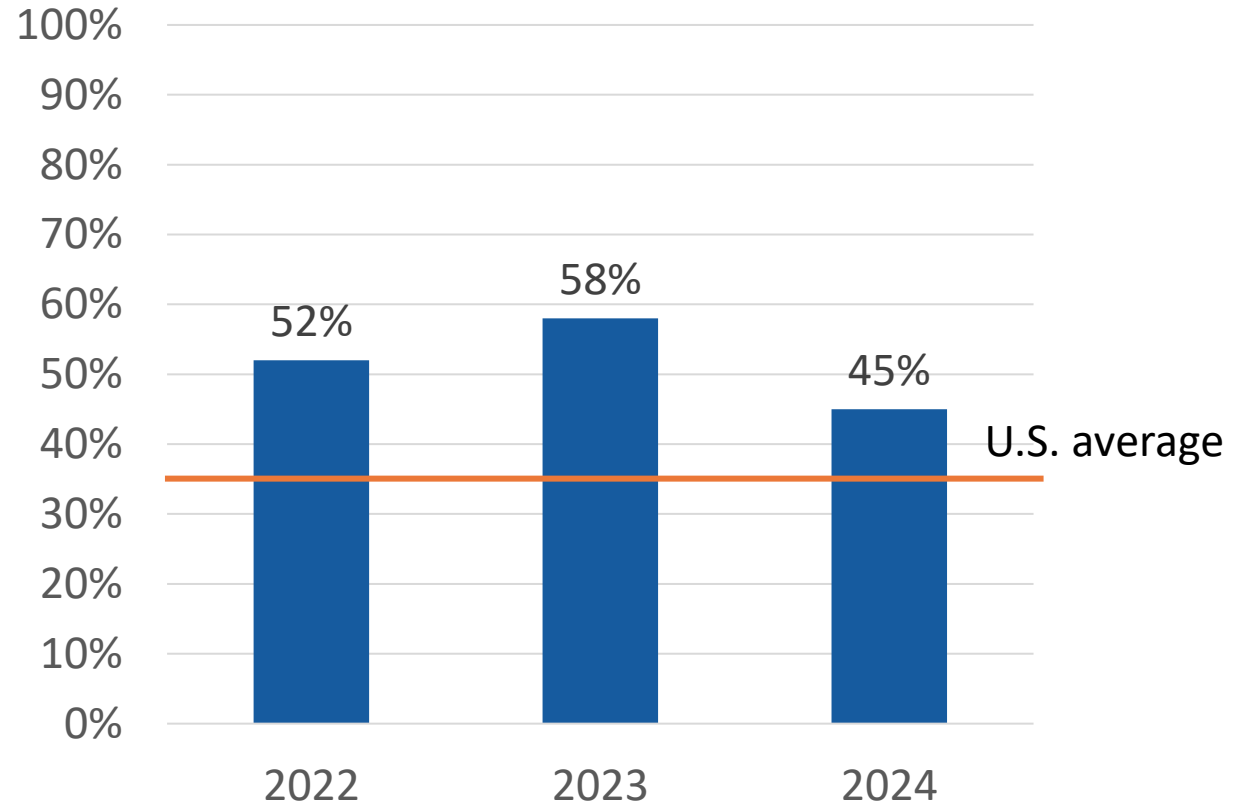
KPM #11



Employee
Engagement

Target: 60%

Actual: 45%

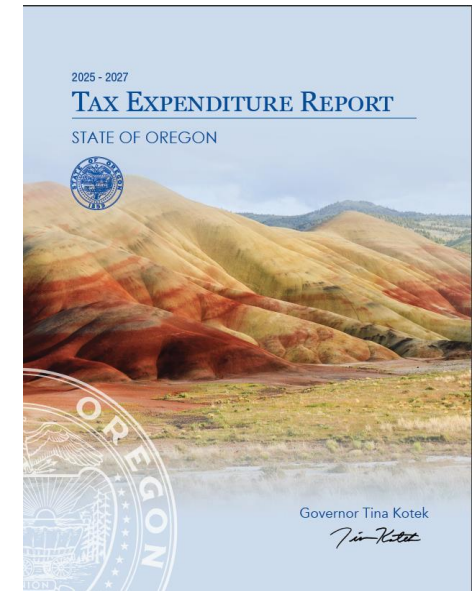
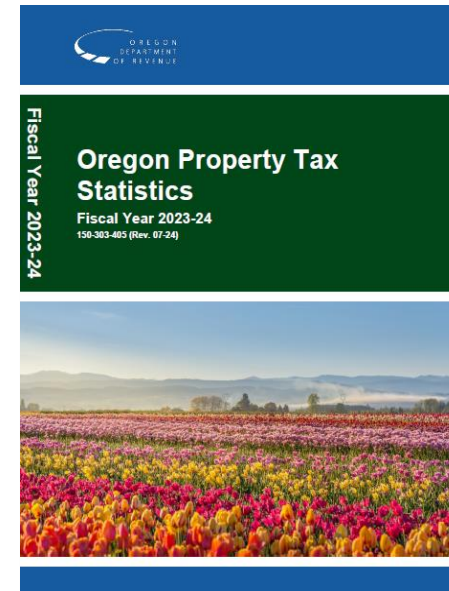
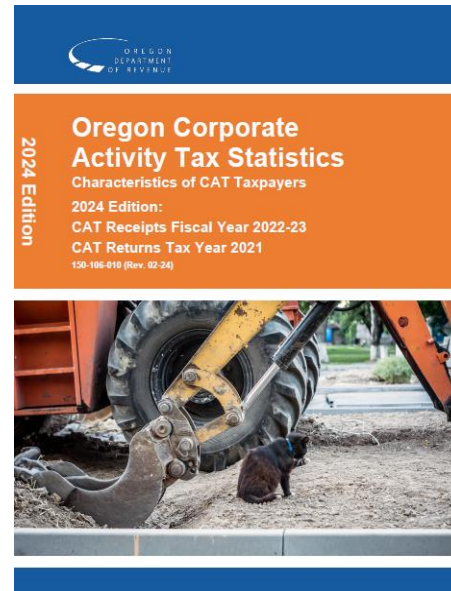
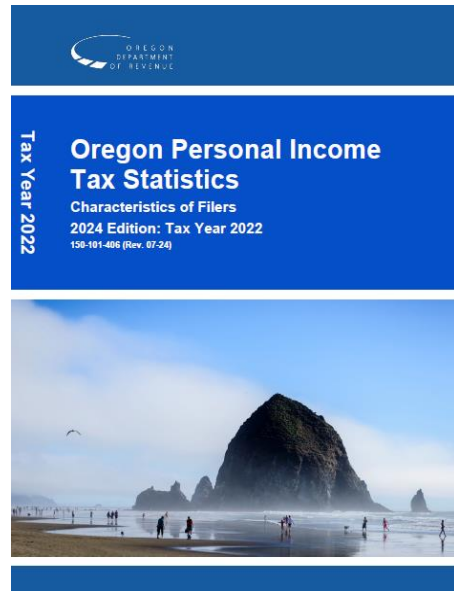
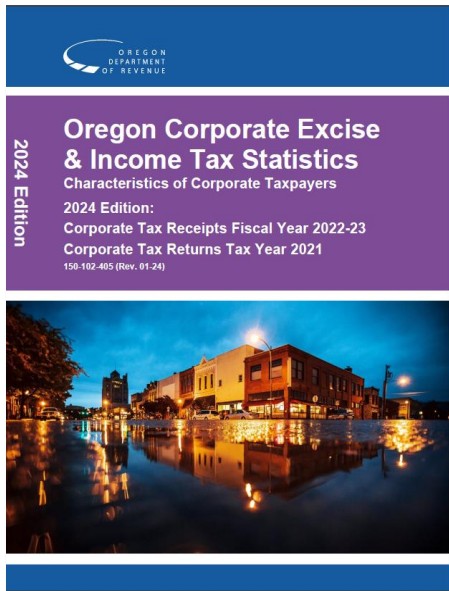


KPM's are based on fiscal year results

Long-Term Vacancies

Status	Vacant 12+ Months	% of Total Workforce
Pending Personnel Actions	15	1.6%
Vacant	2	0.3%
TOTAL	17	1.9%

Research



Internal Audit



Conducts independent and objective examinations



7 Person audit committee includes 5 external members



Delivered 5 internal audit projects



Transparent recommendation tracking process



Recent External Audits

2022-23 FY Annual Financial Audit

2023-24 FY Annual Financial Audit

These annual financial audits resulted in no new findings or recommendations directed at DOR.

Internal Controls



Agency risk
management



Agency
compliance



Information
security



Continuity of
operations



Taxpayer Advocate Office

Launched in January 2022

Voice and resource for taxpayers in Oregon

Identifies systemic issues and makes recommendations

Ten Percent Reductions

	General Fund	Other Funds	Total Funds	Pos	FTE
Business	4,080,007	2,667,109	6,747,116	25	25.00
Corporate	-	2,875,614	2,875,614	12	11.23
Collection	5,939,203	3,214,393	9,153,596	36	36.00
Marijuana	-	685,803	685,803	3	3.00
PTAC	11,685,249	289,070	11,974,319	62	51.25
PTD	5,220,210	6,393,600	11,513,810	16	16.00
Senior Deferral	-	-	-	-	-
Administration	-	-	-	-	-
ITSD	-	-	-	-	-
Total Reductions	26,924,669	16,125,589	43,050,258	154	142.48

Administration Division Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	38,418,629	13,155,713	51,574,342	85	83.39
2025-27 CSL	44,415,582	16,636,755	61,052,337	88	87.76
2025-27 GRB	41,741,173	15,846,015	57,587,188	88	87.76
CSL-GRB Change	(2,674,409)	(790,740)	(3,465,149)	-	-

Capital Debt Service and Related Costs Budget

	General Fund	Other Funds	Total Funds	POS	FTE
2023-25 LAB	4,459,399	378,110	4,837,509	-	-
2025-27 CSL	5,233,018	-	5,233,018	-	-
2025-27 GRB	5,233,018	-	5,233,018	-	-
CSL-GRB Change	-	-	-	-	-



Satish Upadhyay

Deputy Director

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