



# Strategic Plan Update

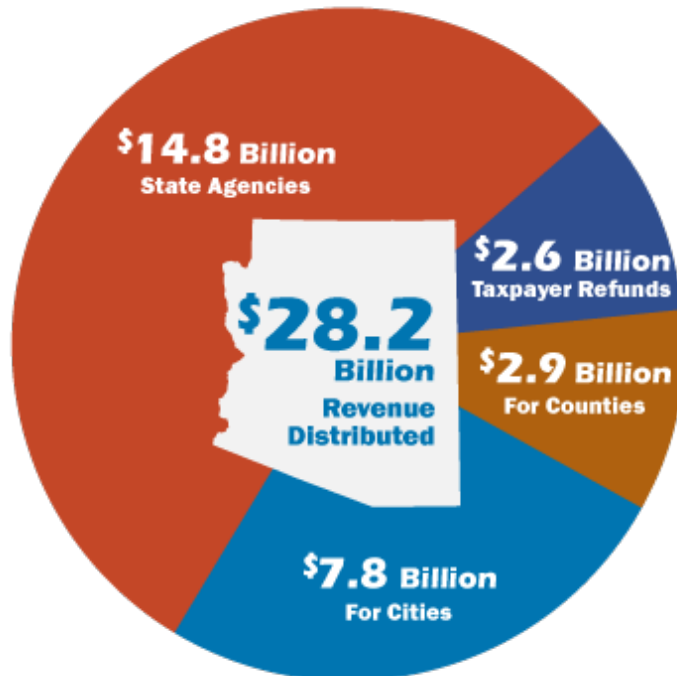
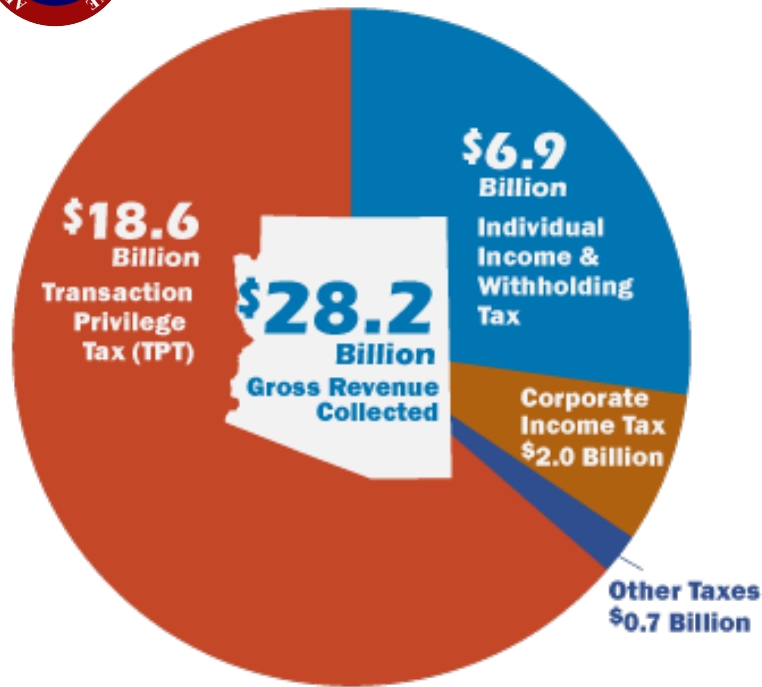
## FY 2025

September 2024





## FY 2024 At A Glance



### Agency

Actual vs projected total revenue collections	102%
Number of Arizona Families Tax Rebates issued	739,200
Percentage complete for STARS project - Discovery and Planning	73%
Percentage complete for STARS project - Liquor Luxury Tax Implementation	18%

### Education and Compliance

Number of taxpayers educated	1,970
Number of TPT accounts receivable	\$759 million
Average customer phone call wait time	19 min 8 sec

### Processing

Percentage of e-filed individual income tax returns	92%
Dollars recovered through individual income tax fraud prevention	\$104 million

### Taxpayer Services

Total General Fund Revenue collected from remote sellers	\$502 million
Unclaimed property dollars returned to customers	\$88 million

### Support

Annual agency engagement score	86%
Number of teammates formally recognized	87

## FOREWORD:



**Rob Woods**  
Director

I am pleased to present the Arizona Department of Revenue's fiscal year (FY) 2025 Strategic Plan, and share with you our successes and goals to serve Arizona's taxpayers and maintain our strong culture.

For FY 2024, Arizona Department of Revenue (ADOR) collected \$28.2 billion to fund Arizona's programs and services, contributing to the state's healthy economic future. Our agency is an excellent steward of the resources we are given to fulfill our mission.

For the third year in a row, ADOR has been named one of the Top Companies to Work for in Arizona, awarded by Best Companies AZ and the Arizona Capitol Times. This designation is a meaningful indicator of the caliber of our people. Our team is dedicated to supporting each other and providing excellence in their service to Arizona's taxpayers.

Also in the last year, our Unclaimed Property team enacted improvements to forms and processes and undertook public awareness activities to achieve a record \$88 million in property returned to its rightful owners.

For FY 2025, we turn our focus to very important strategic projects that will support an affordable and thriving economy for our people.

As we are working on a tax system modernization project, the [State Tax Accounting and Reconciliation System \(STARS\)](#), we will be implementing self-service options for taxpayers by 2029, streamlining their experience and providing a pathway for Arizonans in need to access available resources.

ADOR is also seeking to **increase taxpayer compliance** with Arizona tax laws by 5% by June 2029 to fund Arizona's infrastructure and services to our people. We will do this by increasing education and understanding of Arizona tax law to help reduce delinquent accounts.

We are dedicated to **improving the user experience** in our interactions with and service to taxpayers, reducing wait times and enhancing responsiveness.

At ADOR, we care about our people, and are continuously working to balance our team's capacity and demand for existing services while reducing overtime hours. We aim to **improve our team members' role satisfaction** by 5% by 2029 by focusing on employee well-being, and understanding the balance of capacity and demand.

## NEW PERFORMANCE MEASURE FOR 2025

- ↓ Percentage of paper liquor submissions.
- ↑ Percentage of online liquor submissions through the portal.
- ↓ Dollar amount of Accounts Receivable (AR)
- ↑ Number of new remote sellers in compliance.
- ↓ Number of days to process Voluntary Disclosure Agreements (VDAs).
- ↓ Number of compliant AR/remote seller and VDA taxpayers.
- ↓ Percentage compliant with Service Level Agreements.
- ↓ Average speed of answer for phone calls.
- ↓ Average number of days to answer and resolve an email inquiry.
- ↓ Average number of days to process tax documents.
- ↑ Agency Engagement Score/Best Companies Score.

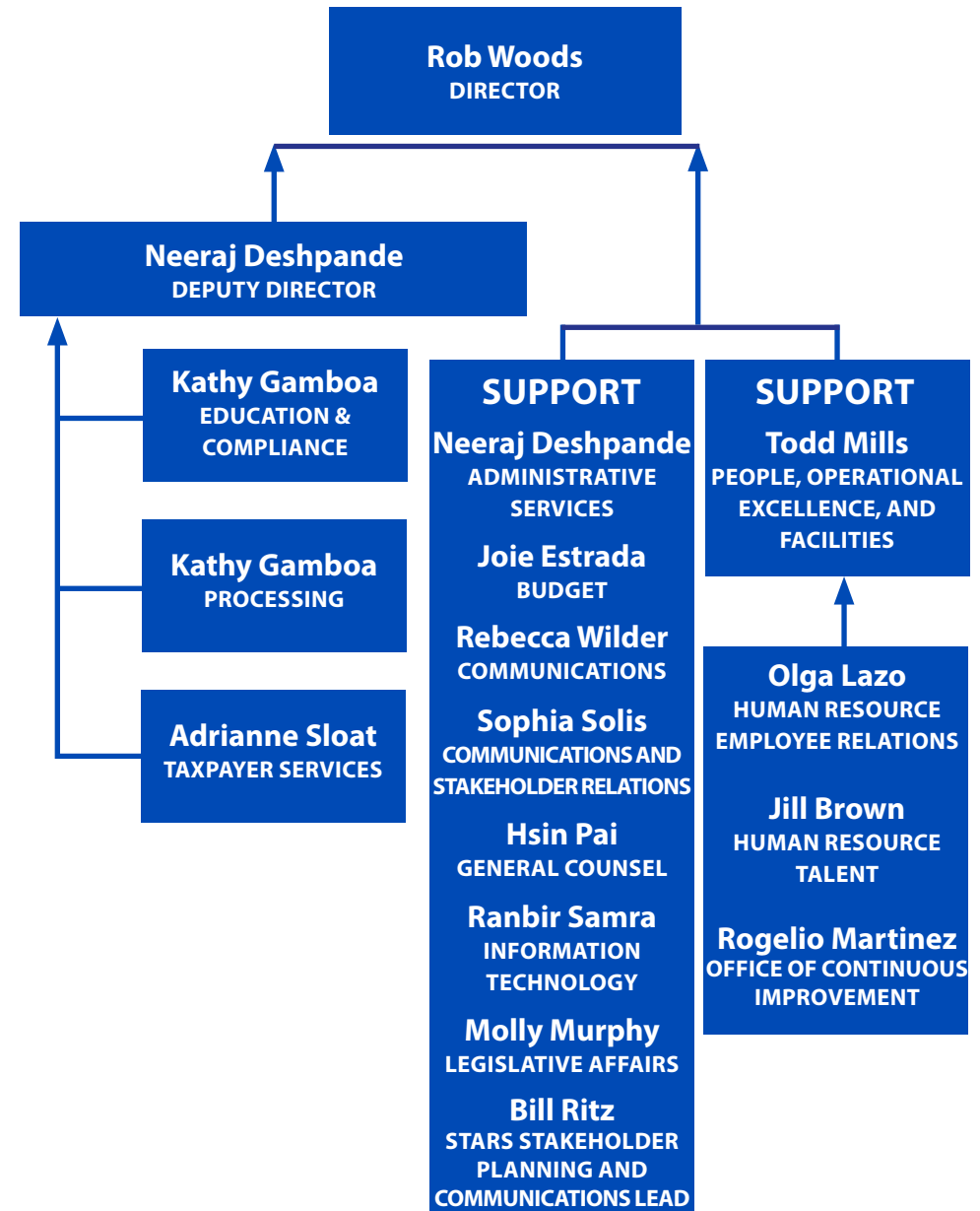


## OUR ORGANIZATION:

ADOR's strategy is rooted in its mission, which is "Serving Taxpayers!" Our agency plays a critical role in collecting and distributing revenue to fund Arizona's essential programs and services. These services help families thrive and contribute to the ultimate goal of creating an affordable and thriving economy.

Ensuring the success of this goal is dependent on our strong employee-centric culture. When we deliver value to our staff, they in turn bring dedication and integrity into their work by doing what's right for Arizonans. That means maximizing agency effectiveness and efficiency through opportunities that help taxpayers save time and put more money into their pockets.

In addition, ADOR is committed to finding new ways to open the lines of communication between the agency and taxpayers to increase transparency and taxpayer education. Together, we can help build an Arizona for everyone.



**OUR MISSION: Serving Taxpayers!**



PURSUANT TO ARIZONA REVISED STATUTES (A.R.S.)

**\$91.3 MILLION** FY 2025 ANNUAL OPERATING BUDGET



## STRATEGIC PLAN - FY 2024

**Vision: Funding Arizona's priorities through excellence in innovation, exceptional customer experience, and public servant-led continuous improvement.**

Goal	Multi-Year Strategy	Objectives	Target
Employee-Centric Culture	Develop talent for career mobility.	<ul style="list-style-type: none"> <li>Define agency career pathing options (e.g., Dual ladder, horizontal/rotational career paths), define agency goal.</li> <li>Create process for career mapping and career pathing.</li> </ul>	<b>Multi-Year</b>
Maximize Agency Effectiveness and Efficiency	Reduce accounts receivable (AR) balance and inventory.	<ul style="list-style-type: none"> <li>Define percentage collectable by tax type.</li> <li>Measure balance cyclicity and variance as of July 1, 2023 to June 30, 2024.</li> <li>Develop and execute collections cycle plan.</li> </ul>	<b>Multi-Year</b>
Enhance Services and Automation	Complete State Tax Accounting and Reconciliation System (STARS) milestone within budget.	<ul style="list-style-type: none"> <li>Define stakeholders and develop engagement survey.</li> <li>Complete project initiation activities.</li> <li>Establish project governance oversight structure.</li> <li>Conduct discovery phase planning activities.</li> <li>Continue data management and data cleansing pre-conversion activities.</li> <li>Conduct change management planning.</li> </ul>	<b>Multi-Year</b>
Stakeholder Agility	Implement Senate Bill 1734 - AZ Family Tax Rebate.	<ul style="list-style-type: none"> <li>Identify business processes.</li> <li>Define population and scope of project.</li> <li>Implement rebate process.</li> <li>Develop post-rebate period claim process.</li> </ul>	<b>DONE</b>

## STRATEGIC PLAN - FY 2025

**Vision: Funding Arizona's priorities through excellence in innovation, exceptional customer experience, and public servant-led continuous improvement.**

Governor Priority Goal	Agency Five-Year Outcome	Objectives	Target
Affordable and Thriving Economy	Implement self-service options for taxpayers with the implementation of STARS (State Tax System) by 2029.	<ul style="list-style-type: none"> <li>Increase monthly average of online submissions for luxury/liquor tax in RevHub.</li> </ul>	<b>June 2025</b>
Affordable and Thriving Economy	Increase taxpayer compliance with Arizona tax laws by 5% by June 2029.	<ul style="list-style-type: none"> <li>Increase taxpayer compliance by 2%</li> </ul>	<b>June 2025</b>
Affordable and Thriving Economy	Improve user experience with taxpayer interactions, supporting a 90% achievement of key Service Level Agreements by June 2029.	<ul style="list-style-type: none"> <li>Improve user experience achieving a 90% rate of compliance with Service Level Agreements.</li> </ul>	<b>June 2025</b>
Affordable and Thriving Economy	Balance capacity and demand for existing services while reducing overtime hours to improve Role Satisfaction by 5% by 2029.	<ul style="list-style-type: none"> <li>Improve role satisfaction score from 86% to 88% on the Best Companies Survey.</li> </ul>	<b>June 2025</b>



<b>RESOURCE ASSUMPTIONS:</b>	<b>FY 2025</b> Budget Request or Estimate**	<b>FY 2026</b> ESTIMATE**	<b>FY 2027</b> ESTIMATE**	<b>FY 2028</b> ESTIMATE**	<b>FY 2029</b> ESTIMATE**
Full-time-equivalent (FTE) Positions	923.0	923.0	923.0	923.0	923.0
General Fund	59,677.7	64,853.3	64,792.1	64,792.1	64,792.1
Other Appropriated Funds	29,927.0	25,836.1	25,945.3	25,945.3	25,945.3
Non-Appropriated Funds	1,681.3	1,681.3	1,572.1	1,572.1	1,572.1
Total Agency Funds	91,286.0	92,370.7	92,309.5	92,309.5	92,309.5

## HOW TO CONTACT THE ARIZONA DEPARTMENT OF REVENUE:

Website: [www.azdor.gov](http://www.azdor.gov) and [www.AZTaxes.gov](http://www.AZTaxes.gov)

### Customer Care-Frequently Asked Questions

Local: (602) 255-3381

Toll-free: (800) 352-4090

### Criminal Investigation Unit

[DorCriminalinv@azdor.gov](mailto:DorCriminalinv@azdor.gov)

### Problem Resolution Officer

(602) 716-6025

[ProblemResolutionOffice@azdor.gov](mailto:ProblemResolutionOffice@azdor.gov)

### ADOR Identity Theft Call Center

Local: (602) 716-6300

Out of State: (844) 817-9691

### Unclaimed Property Unit

(602) 364-0380

[UnclaimedProperty@azdor.gov](mailto:UnclaimedProperty@azdor.gov)





Arizona Department of Revenue  
1600 West Monroe Street  
Phoenix, Arizona 85007