

Ministry of Provincial Revenue

2002/03 – 2004/05 Service Plan Summary

Mission

- To provide fair, efficient and equitable revenue and debt collection which supports public services to meet the needs of citizens in British Columbia.

Strategic Shifts

1. From decentralized collection and multiple accounts receivable system to a centralized corporate accounts receivable system.
2. From decentralized inconsistent paper based revenue administration practices to centralized, efficient, consistent, electronic based revenue and administrative practices.
3. From a spending management culture to a performance based culture.
4. From an organization that reacts to complaints from taxpayers to an organization that seeks to work with taxpayers to resolve issues.

Core Business Areas

The ministry collects over \$10B in government revenue through:

1. Tax administration and collection – includes the administration and enforcement of various tax statutes and the administration and management of various royalties, taxes, levies, and fees collected under forestry, mineral, oil and gas, related statutes.
2. Debt administration and collection – includes the accounts receivable and loan management services to government.

Major Initiatives

1. Tax Administration and Collection

- Despite efforts to encourage voluntary compliance through education and communication with taxpayers there continues to be evidence that substantial numbers of taxpayers do not remit the provincial taxes which they owe to the province. This puts those taxpayers who do comply at a competitive disadvantage. Treasury Board has increased resources of the ministry to target non-compliant taxpayers.
- Over the next three years the ministry will examine and adopt tools to make it easier for taxpayers to make payments. Tax payments over the Internet and telephone as well as other flexible payment plans will be examined as possible options over this period.

2. Debt Administration and Collection

- The ministry will develop a corporate accounts receivable system to support all non-tax receivables.
- The ministry will test the use of outside collection agency alternatives versus in house service delivery.

Ministry Resources (million \$)

	<i>Fiscal Year</i>				<i>% Change</i>
	<i>(restated estimates) 2001/02</i>	<i>2002/03</i>	<i>2003/04</i>	<i>2004/05</i>	
Operating Expenditures¹	Gross \$88	Gross \$93	Gross \$95	Gross \$95	8.0%
	Less recoveries -\$38	Less recoveries -\$48	Less recoveries -\$50	Less recoveries -\$51	34.2%
	.Net \$50	.Net \$45	.Net \$45	.Net \$44	-12.0%
Net Incremental Revenue²	N/A	7	26	35	N/A
FTEs	817	908	924	934	14.3%

¹ Costs of additional revenue used to achieve revenue targets are recovered from revenues generated. The ministry also collects and remits taxes on behalf of a number of Crown corporations and local governments and these show up as "financing transactions" in the Estimates. This includes, for example, rural property taxes remitted to local government and fuel taxes remitted to BC Ferries and BC TFA.

² The ministry collects revenues and debts on behalf of government from those who remit voluntarily and identifies, locates and pursues revenues and debts from those who do not pay voluntarily. One of the key performance measures for the ministry is the amount of additional revenue it collects from those who do not pay voluntarily. The Net Incremental Revenue is a performance target for the ministry and represents the additional amount of revenues collected above the costs of collection.

New Era Commitments

- None.