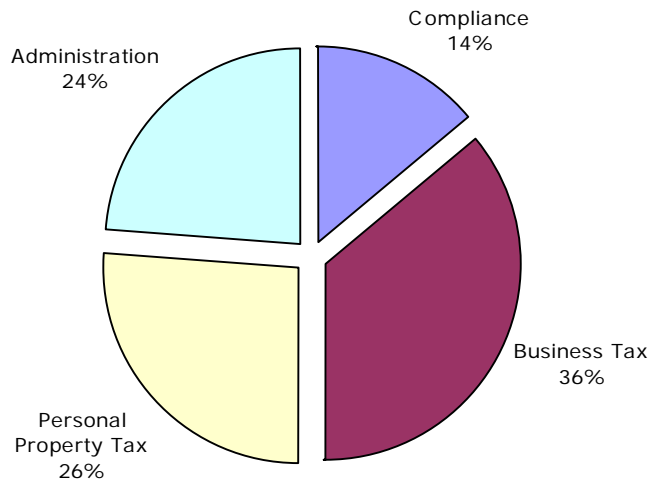


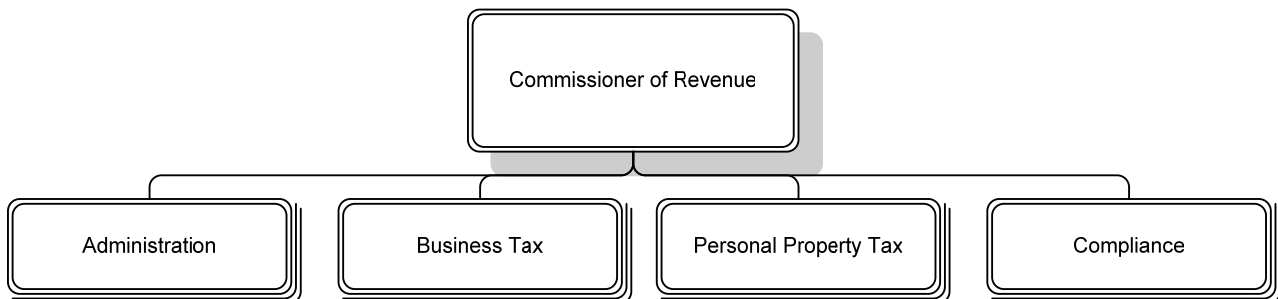
***Our Mission: To provide Arlington County residents and businesses with high quality service in meeting their tax obligations***

The Office of the Commissioner of Revenue provides Arlington County residents and businesses with high quality service in meeting their tax obligations by applying Virginia State and Arlington County tax laws with uniformity, fairness and integrity, and providing customer advocacy to protect the rights of individual and business taxpayers and resolving those issues not satisfactorily addressed through normal channels.

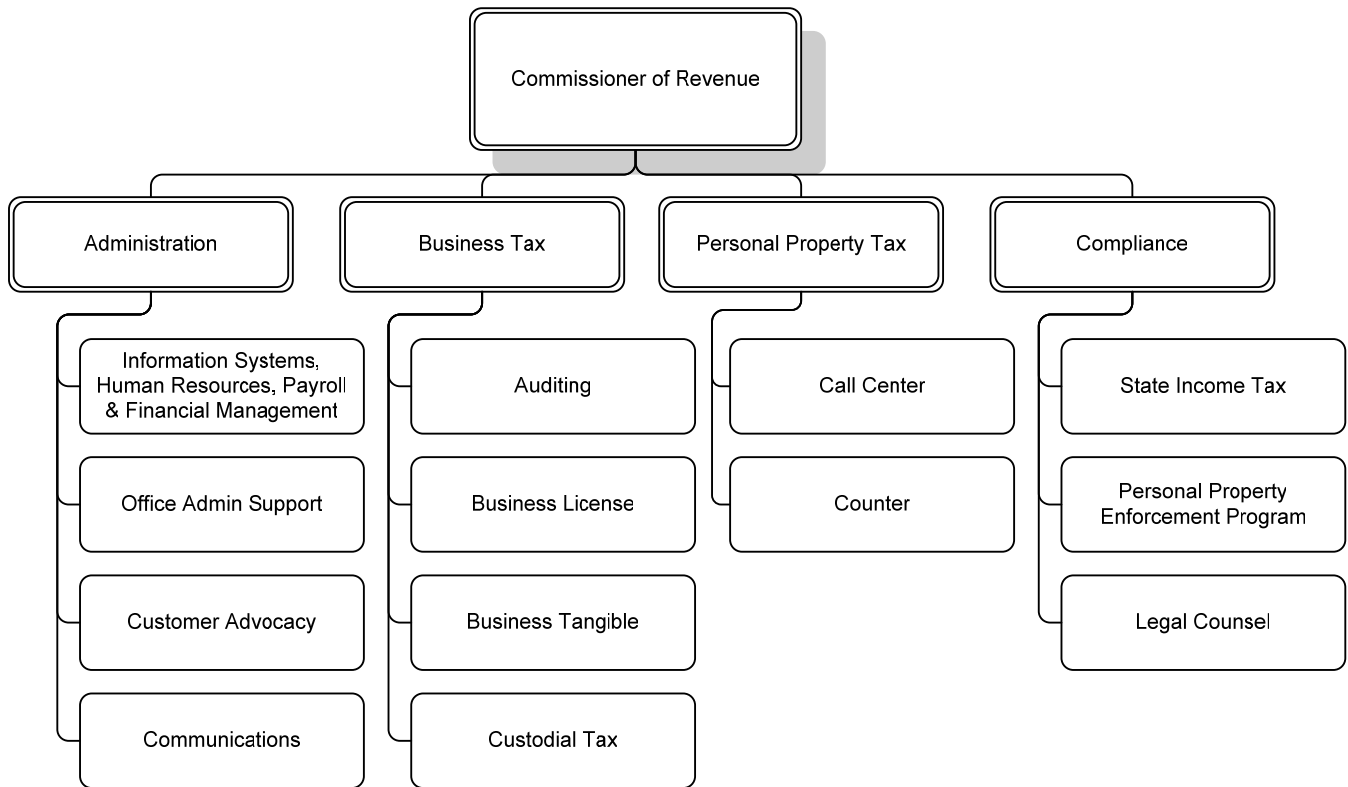
**Distribution of Department Budget**



**DEPARTMENT DIVISIONS**



DEPARTMENTAL ORGANIZATION CHART



FY 2007 PRIORITIES

- To enhance compliance with tax laws and ordinances by discovering unreported vehicles, furniture and fixtures, machinery, and tools used in businesses.
- To provide high quality customer service, using available technology and resources.
- To plan for and implement any changes to the tax law adopted by the General Assembly during the 2006 session.

**OFFICE OF THE COMMISSIONER OF REVENUE**  
DEPARTMENT BUDGET SUMMARY

**DEPARTMENT FINANCIAL SUMMARY**

	FY 2005 Actual	FY 2006 Adopted	FY 2007 Proposed	% Change '06 to '07
Personnel	\$3,570,266	\$3,955,319	\$4,295,378	9%
Non-Personnel	359,481	235,355	263,948	12%
<b>Total Expenditures</b>	<b>3,929,747</b>	<b>4,190,674</b>	<b>4,559,326</b>	<b>9%</b>
<b>Total Revenues</b>	<b>447,323</b>	<b>503,400</b>	<b>495,558</b>	<b>-2%</b>
<b>Net Tax Support</b>	<b>\$3,482,424</b>	<b>\$3,687,274</b>	<b>\$4,063,768</b>	<b>10%</b>
Authorized FTEs	56.0	56.0	56.0	
Funded FTEs	56.0	56.0	56.0	

**SIGNIFICANT BUDGET CHANGES**

The FY 2007 proposed budget for the Commissioner of Revenue's office is \$4,559,326, reflecting a nine percent increase over the FY 2006 adopted budget.

- ↑ The FY 2007 proposed budget reflects a two percent market pay line adjustment, a ten percent increase in employer health insurance costs, an increase in employer retirement contributions to maintain full funding of the retirement fund, and position turnover and reclassifications.
- ↑ An increase in non-personnel expenses (\$28,593) is mainly due to an increase in funding for the NADA automated assessment service, offset by a decrease in the Department of Technology Services projected telephone costs.
- ↓ A net decrease in revenue (\$7,842) is primarily due to the decrease in DMV Select Office revenues, partially offset by the FY 2006 cost of living increase approved by the State Compensation Board.

**PERFORMANCE MEASURES**

	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2007 Goal
Percent of personnel and financial transactions processed satisfactorily within guidelines	100%	100%	100%	100%	100%	100%	100%
Percent Business License Statutory assessments to total business license returns	N/A	N/A	12%	20%	10%	10%	≤10%
Percent Business Tangible Statutory assessments to total business tangible returns	N/A	N/A	24%	24%	20%	20%	≤20%
Value of Personal Property assessments by Enforcement Program (million)	N/A	N/A	N/A	\$1.10	\$1.25	\$1.25	\$1.35
Percent of assessments in compliance with the Code of Virginia	N/A	N/A	100%	100%	100%	100%	100%
Call abandon rate	N/A	6.0%	2.0%	1.95%	1.85%	1.90%	1.80%
Percent of e-mail inquiries resolved within a three day timeframe	N/A	N/A	98%	100%	100%	100%	100%
Number of customers served by Customer Advocate	N/A	N/A	N/A	22	>25	>25	>25
Number of business tax and business tangible tax returns processed	N/A	N/A	35,581	35,581	32,934	32,500	32,500

**OFFICE OF THE COMMISSIONER OF REVENUE**  
DEPARTMENT BUDGET SUMMARY

	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2007 Goal
Summons issued	N/A	N/A	N/A	2,320	2,500	2,500	2,500
Number of personal properties assessed (vehicle, boats, etc.)	188,708	188,578	187,987	187,979	188,000	195,000	195,000
Number of e-mails received pertaining to personal property tax inquiries	N/A	1,989	5,249	5,590	7,000	7,000	7,000
Total calls received by personal property tax call center	N/A	44,581	41,581	44,020	44,000	44,000	44,000

- Number of customers served by Customer Advocate in FY 2005 reflects only nine months of data collection.

**FUTURE BUDGET CONSIDERATIONS**

- The 2006 General Assembly may enact further changes to the Business and Personal Property tax statutes that will affect FY 2007 assessments.
- It is uncertain whether the 2006 General Assembly will adopt a cost of living increase for FY 2007 to take effect December 2006.
- The DMV Select Office began operations on November 22, 2004. The Commissioner of Revenue's office will receive 3.5% of the revenue collected from all completed transactions. It is expected, as operations grow, the revenue will increase.