

Division of Tax Appeals Core Mission Budgeting

Attachment B

2006-07-02009-10 Disbursements

Program/ Activity	Designation of Relevance	Spending Category	March 31, 2009 FTEs	2006-07		2007-08		2008-09		2009-10	
				PS	NPS	PS	NPS	PS	NPS	PS	NPS
Tax Appeals Tribunal (TAT)	H	PS		0	0	0	0	0	0	0	0
Tribunal/Commisioners	H	PS	4								
Office of the counsel to Tribunal	H	PS	2								
Office of the Secretary to the Tribunal	H	PS	1.8								
Division of Tax Appeals (DTA)	H	PS		0	0	0	0	0	0	0	0
Supervisiong ALJs	M	PS	2								
ALJ Heartin Unit	H	PS	9								
Small Claims Unit	H	PS	1								
Hearing Support Operations Unit	H	PS	2.8								
Peititon Intake, Reception and file Maintenance Unit	H	PS	3								
Determinsation Publishing Unit	H	PS	0								
Determinsation Publishing Unit Support	L	PS	1.5								
Units tathat Serve both TTA and DTA	H	PS and NPS		\$2,718,000	\$510,000	\$2,826,000	\$499,000	\$2,989,000	\$417,000	\$3,059,000	\$430,000
Administrative Office	H	PS and NPS	2.5								
Computer Support Unit	H	PS and NPS	3								
Total PS and NPS Disbursments				\$3,228,000		\$3,325,000		\$3,406,000		\$3,489,000	

ATTACHMENT B

Title of Report: DIVISION OF TAX APPEALS (DTA) /TAX APPEALS TRIBUNAL (TAT)
PROGRAMS/ACTIVITIES: INVENTORY AND KEY DATA

Core Mission:

The Division of Tax Appeals/Tax Appeals Tribunal (DTA/TAT) is charged with the responsibility of “providing the public with a just system of resolving controversies with [the] department of taxation and finance and to ensure that the elements of due process are present with regard to such resolution of controversies” (Tax Law § 2000). This purpose is accomplished by separating the administration of taxes from the adjudication of disputes between taxpayers and the Department of Taxation and Finance. The administration of taxes is solely the responsibility of the Department while the adjudication of disputes falls solely under the province of the Division of Tax Appeals/Tax Appeals Tribunal.

Relevance to Core Mission:

As DTA/TAT is an agency with a singular statutory mission, each and every component of the agency and its functioning is integrally tied with the fulfillment of its core mission. In this context and for purposes of this report, we have identified the three components of this quasi-judicial agency by function, as follows: The Tax Appeals Tribunal is the appellate component of the agency; The Division of Tax Appeals is the hearing/trial component of the agency; and the third component is comprised of the Administration and Computer Support units that serve the other two component parts. Each component is integral to the fulfillment of the agency’s core mission. As such, it is impossible to designate as anything other than High (H), the degree to which each component is tied to the one core mission of the agency.

Program/Activity:**Designation of Relevance:**

<u>Tax Appeals Tribunal (TAT)</u>	H
Tribunal/Commissioners *	H
Office of the Counsel to Tribunal	H
Office of the Secretary to the Tribunal *	H
<u>Division of Tax Appeals (DTA)</u>	H
Supervising ALJs	M
ALJ Hearing Unit*	H
Small Claims Unit*	H
Hearing Support Operations Unit	H
Petition Intake, Reception and File Maintenance Unit	H
Determination Publishing Unit	H
Determination Publishing Unit Support	L

* Each of these categories is statutorily mandated.

<u>Units that Serve both TAT and DTA</u>	H
Administrative Office	H
Computer Support Unit	H

Spending Category:

<u>Tax Appeals Tribunal (TAT)</u>	PS
Tribunal/Commissioners	PS
Office of the Counsel to Tribunal	PS
Office of the Secretary to the Tribunal	PS
<u>Division of Tax Appeals (DTA)</u>	PS
Supervising ALJs	PS
ALJ Hearing Unit	PS
Small Claims Unit	PS
Hearing Support Operations Unit	PS
Petition Intake, Reception and File Maintenance Unit	PS
Determination Publishing Unit	PS
<u>Units that Serve both TAT and DTA</u>	PS and NPS
Administrative Office	PS and NPS
Computer Support Unit	PS

3/31/09 FTEs:

<u>Tax Appeals Tribunal (TAT)</u>	
Tribunal/Commissioners/Staff	4
Office of the Counsel to Tribunal	2
Office of the Secretary to the Tribunal	1.8
<u>Division of Tax Appeals (DTA)</u>	
Supervising ALJs	2
ALJ Hearing Unit	9
Small Claims Unit	1
Hearing Support Operations Unit	2.8
Petition Intake, Reception and File Maintenance Unit	3
Determination Publishing Unit	1.5
<u>Units that Serve both TAT and DTA</u>	
Administrative Office	2.5
Computer Support Unit	3
<u>Total FTEs</u>	32.6

2006-07 - 2009-10 Disbursements:

Program	2006-07		2007-08		2008-09		2009-10	
	PS	NPS	PS	NPS	PS	NPS	PS	NPS
Tax Appeals Tribunal (TAT)	0	0	0	0	0	0	0	0
Division of Tax Appeals (DTA)	0	0	0	0	0	0	0	0
Units that Serve both TAT and DTA (Administration & Computer Support Units)	2,718,000	510,000	2,826,000	499,000	2,989,000	417,000	3,059,000	430,000
TOTAL PS AND NPS DISBURSEMENTS	3,228,000		3,325,000		3,406,000		3,489,000	

ATTACHMENT C

Title of Report: DIVISION OF TAX APPEALS (DTA) /TAX APPEALS TRIBUNAL (TAT)
PROGRAM INFORMATION SHEET

Name of Program: Tax Appeals Tribunal (TAT)

Mandate: Provide the public with a just system of resolving controversies with the Department of Taxation & Finance and to ensure that the elements of due process are present with regard to such resolution of controversies, pursuant to Tax Law §2000.

Mandated Funding Level: None

Brief Description/ History/ Background: The Division of Tax Appeals/Tax Appeals Tribunal (DTA/TAT) was created by Chapter 282 of the Laws of 1986 as an independent division within the New York State Department of Taxation and Finance (Tax Law § 2002) effective September 1, 1987. The Division is headed by the Tax Appeals Tribunal ("Tribunal") which consists of three commissioners appointed by the Governor and confirmed by the State Senate. The commissioners are appointed for nine-year terms. One of these commissioners is designated as the President of the Tribunal by the Governor and is solely responsible for the administration of the Division as a whole.

The Tax Appeals Tribunal serves as the administrative appellate body for the adjudication of controversies between taxpayers and the Department of Taxation and Finance. After reviewing the record of the hearing conducted by the Administrative Law Judge (ALJ) Hearing Unit and any oral arguments before the Tribunal, oral or by brief, the Tribunal issues a written decision either affirming, reversing or modifying the determination of the ALJ, or remanding the case for additional proceedings before such ALJ. Each decision of the Tribunal sets forth the issues in the case, the relevant facts established by the parties in the record at hearing and the Tribunal's opinion which applies applicable law to such facts. Each decision must be rendered within six months from the date of notice to the Tribunal that exception is being taken to the determination of the ALJ. This period is extended if oral or written argument is made before the Tribunal (Tax Law § 2006[7]).

Decisions rendered by the Tribunal are final and binding on the Department; i.e., there is no right of appeal. Taxpayers who are not satisfied with the decision of the Tribunal have the right to appeal the Tribunal's decision by instituting a proceeding pursuant to Article 78 of the Civil Practice Law and Rules (CPLR) to the Appellate Division, Third Department of the State Supreme Court.

Issues: No issues can be identified at this point that will affect the 2008-09 or future years. The TAT is statutorily mandated to adjudicate any proceedings filed by either taxpayers of New York State or the Department of Taxation & Finance. As such, its caseload is ongoing and its volume is dependent upon factors that are outside of the control of the agency.

Population Served: The TAT serves the following population: any taxpayers of the State of New York who have controversies with the Department of Taxation & Finance and who file petitions for adjudication of such controversies.

Performance Measures: As an administrative adjudicatory body, the TAT is statutorily required to issue decisions in all cases within six months of the filing of a proceeding. The TAT has been in compliance with this statutory mandate without exception. Substantive review of the decisions of the TAT are handled judicially and are within the jurisdiction of the Appellate Division of the State of New York.

It should be noted that DTA/TAT was responsible for the recovery of approximately \$80 million in revenues for the State in 2006-07.

ATTACHMENT C

Title of Report: DIVISION OF TAX APPEALS (DTA) /TAX APPEALS TRIBUNAL (TAT)
PROGRAM INFORMATION SHEET

Name of Program: Division of Tax Appeals (DTA)

Mandate: Provide the public with a just system of resolving controversies with the Department of Taxation & Finance and to ensure that the elements of due process are present with regard to such resolution of controversies, pursuant to Tax Law §2000.

Mandated Funding Level: None

Brief Description/ History/ Background: The Division of Tax Appeals/Tax Appeals Tribunal (DTA/TAT) was created by Chapter 282 of the Laws of 1986 as an independent division within the New York State Department of Taxation and Finance (Tax Law § 2002) effective September 1, 1987. The Division is headed by the Tax Appeals Tribunal ("Tribunal") which consists of three commissioners appointed by the Governor and confirmed by the State Senate. The commissioners are appointed for nine-year terms. One of these commissioners is designated as the President of the Tribunal by the Governor and is solely responsible for the administration of the Division as a whole.

The DTA presides over administrative and small claims hearings in the adjudication of controversies between taxpayers and the Department of Taxation and Finance. Formal hearings are held before an Administrative Law Judge (ALJ) or, in small claims cases, a Presiding Officer (PO). The ALJ or PO hear testimony, evaluate the evidence and prepare and issue a written determination within six months after the completion of the hearing or submission of briefs of the parties, whichever is later. The determination of the ALJ sets forth the issues in the case, the relevant facts established by the parties and the conclusions of law relevant to the issues. The determination is binding on both parties (i.e., the taxpayer and the Department) unless one or both of the parties request a review of the determination by the Tribunal by filing an exception with the Secretary to the Tribunal within 30 days of notification of the determination of the ALJ. Small Claims determinations issued by POs are not appealable by either party.

Issues: No issues can be identified at this point that will affect the 2008-09 or future years. The DTA is statutorily mandated to adjudicate any proceedings filed by either taxpayers of New York State or the Department of Taxation & Finance. As such, its caseload is ongoing and its volume is dependent upon factors that are outside of the control of the agency.

Population Served: The DTA serves the following population: any taxpayers of the State of New York who have controversies with the Department of Taxation & Finance and who file petitions for adjudication of such controversies.

Performance Measures: As an administrative hearing body, the DTA is statutorily required to issue determinations in all cases within six months of the filing of a proceeding. The DTA has been in compliance with this statutory mandate without exception. Substantive review of the decisions of the DTA are within the jurisdiction of the TAT.

It should be noted that DTA/TAT was responsible for the recovery of approximately \$80 million in revenues for the State in 2006-07.

ATTACHMENT C

Title of Report: DIVISION OF TAX APPEALS (DTA)/ TAX APPEALS TRIBUNAL (TAT)
PROGRAM INFORMATION SHEET

Name of Program: Units that Serve both TAT and DTA (Administration and Computer Support)

Mandates: Provide administrative and computer support to DTA/TAT in its mission of providing the public with a just system of resolving controversies with the Department of Taxation & Finance and to ensure that the elements of due process are present with regard to such resolution of controversies, pursuant to Tax Law §2000; collect, compile and prepare for publication statistics and other data with respect to the operations of the division of tax appeals, and ... submit annually to the governor, the temporary president of the senate and the speaker of the assembly a report on such operations including but not limited to, the number of proceedings initiated, the types of dispositions made and the number of proceedings pending," pursuant to Tax Law §2006(13); and make available to the public (on the DTA website) all determinations and decisions rendered by ALJ, POs and the TAT, pursuant to Tax Law § 2006(9).

Mandated Funding Level: None

Brief Description/ History/ Background: The Division of Tax Appeals/Tax Appeals Tribunal (DTA/TAT) was created by Chapter 282 of the Laws of 1986 as an independent division within the New York State Department of Taxation and Finance (Tax Law § 2002) effective September 1, 1987. The Division is headed by the Tax Appeals Tribunal ("Tribunal") which consists of three commissioners appointed by the Governor and confirmed by the State Senate. The commissioners are appointed for nine-year terms. One of these commissioners is designated as the President of the Tribunal by the Governor and is solely responsible for the administration of the Division as a whole.

The Administration and Computer Support Units of DTA/TAT oversee the daily operations and provide the technical support to DTA/TAT in the carrying out of its statutory mandate. In so doing, the Office of Administration oversees such things as all issues relating to the departmental budget, contracts and purchasing, personnel matters, security, facility management, and preparation of the Annual Report. The Computer Support Unit develops and maintains the departmental computer system, including the website, cyber security, and the case management system, which tracks the status of all cases pending before DTA and TAT, and the compilation of statistics relevant thereto. It should be noted that DTA/TAT was recently rated ninth in the State for cyber security compliance.

Issues: No issues can be identified at this point that will affect the 2008-09 or future years. The DTA/TAT is statutorily mandated to adjudicate any proceedings filed by either taxpayers of New York State or the Department of Taxation & Finance. The Administration and Computer Support Units of DTA/TAT are essential to operation of DTA/TAT in fulfilling its statutory mission.

Population Served: The DTA/TAT serves the following population: any taxpayers of the State of New York who have controversies with the Department of Taxation & Finance and who file petitions for adjudication of such controversies.

Performance Measures: As an administrative adjudicatory body, the DTA/TAT is statutorily required to issue determinations and decisions in all cases within six months of the filing of a proceeding. The DTA/TAT has been in compliance with this statutory mandate without exception. The Administration and Computer Support Units of DTA/TAT are essential to operation of DTA/TAT in fulfilling its statutory mission. It should be noted that, in addition to the aforementioned cyber security compliance rating in 2008, DTA/TAT received a favorable audit of its operations from the Office of the State Comptroller in 2006. Additionally, DTA/TAT was responsible for the recovery of approximately \$80 million in revenues for the State in 2006-07.