Agency Name: The Pennsylvania Department of Revenue

About your program, idea or project

Name your program, idea or project:

Transformation of the License Renewal Experience.

What is the problem that you wanted to solve:

The DOR is responsible for administering the tax law and licensing businesses who sell tobacco and other tobacco products within the commonwealth. The Miscellaneous Tax Division within the Bureau of Business Tax Return Processing is responsible for carrying out these functions.

Each year between December 1st and February 28th, approximately 16,000 licensees renew their tobacco and other tobacco product licenses. This process has historically been a manual, time-consuming, and labor-intensive process. It took sixty-eight hours per week for up to four employees over a fifteen week period to administer the manual tobacco and other tobacco product license renewal process.

The manual processes made it difficult for this division to prioritize customer service to the taxpayer while fulfilling these administrative requirements. The desire to improve process for both the customer and the department propelled this project forward.

How did they go about finding a solution:

The Online Tobacco License Renewal project began in 2018. In conjunction with the EBR IT Delivery Center, changes were made in the department's online business tax filing and payment system, known as e-TIDES, to allow for electronic renewal and payment.

Describe the outcome. What is the new idea, approach, program or activity:

The electronic renewal opened on December 1, 2018. The first renewal period closed at the end of February 2019. This project has expanded the self-service capabilities for our tobacco and other tobacco product customers with new features, such as the ability to:

- Renew tobacco products licenses
- Update current license information
- Add and remove vending locations
- Remit license payments
- Cancel licenses

All these functions would have required hardcopy paperwork from the taxpayer. Additionally, it would have required scanning resources from our Bureau of Imaging and Document Management, or manual review for forms that were not electronically captured.

What has changed this this was implemented? How have your operations improved? Include any data, analytics, or metrics that would show the value of the program:

The license renewal process for tobacco and other tobacco products went from a completely manual paper filing process to a nearly 100% rate of electronic filing within the first year. This has resulted savings for the department, automated and faster service for our customers, and increased staff availability for other tasks that cannot be automated. The savings to the DOR is approximately $40,000 in staff time in addition to eliminating the following manual functions:

- Printing, sorting, and mailing the renewal forms and stuffing the envelopes for mailing
- Scanning paper forms and processing checks at BIDM
- Manual review and correction of scanning errors prior to upload into the Business Tax System (BTS)

What comes next – will you be adding to your program, rolling it out more widely, trying additional approaches:

The department will be implementing this same platform for our unstampable little cigar program.