

# FTA 2017

Annual Conference

SEATTLE  
WASHINGTON



## FEDERATION OF TAX ADMINISTRATORS ANNUAL MEETING

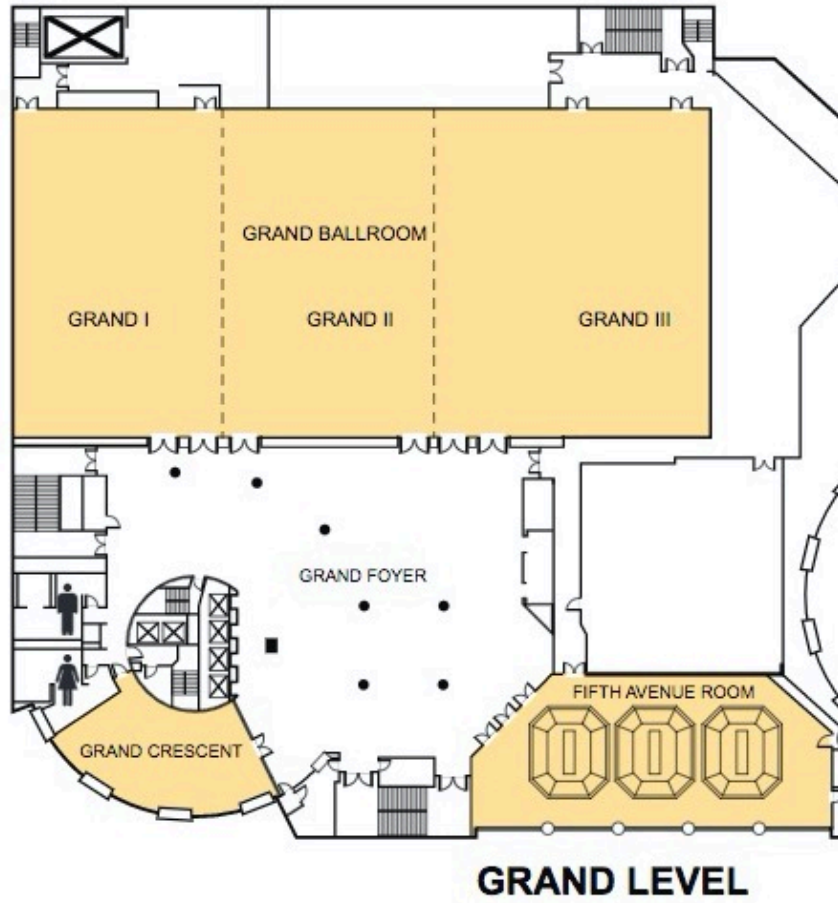
June 11-14, 2017

Westin

Seattle, Washington

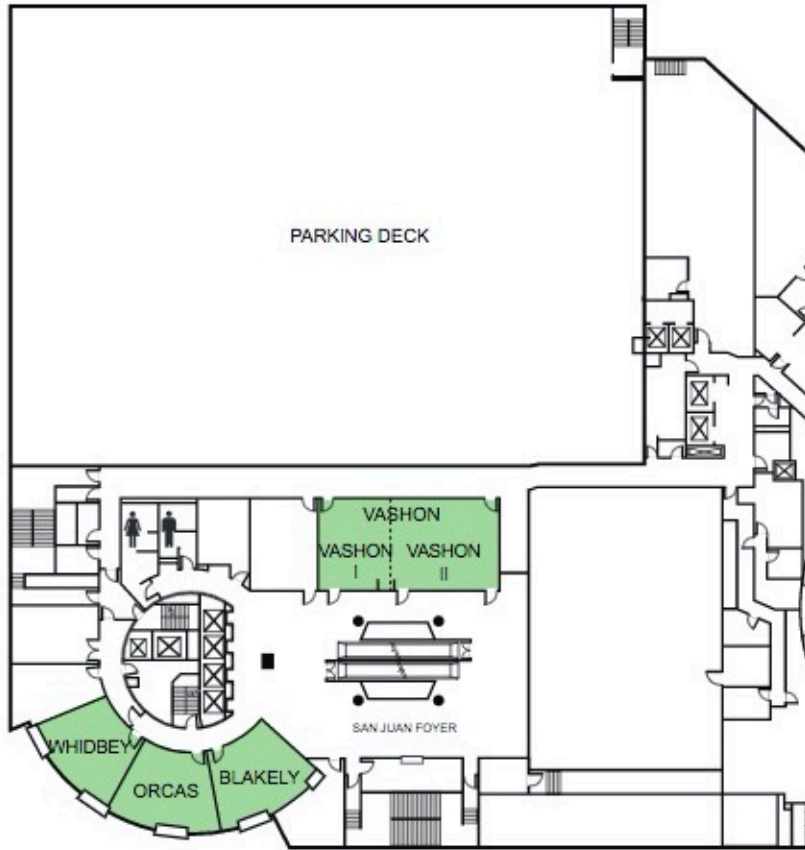
# WESTIN

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# WESTIN

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**SAN JUAN LEVEL**

## Getting to the Chihuly on Tuesday

You will be taking Seattle's Monorail to the Tuesday evening banquet and (eye-popping) tour of the Chihuly. Here's everything you'll want to know about getting to and from this special evening event.

Washington staff will help guide you to the Monorail station, less than a block from the Westin. Walk out the door near the concierge and the restaurant, cross Fifth Avenue, cross Stewart Street, enter Westlake Center Mall, and take the escalators to the Monorail platform on the third floor. You can also access the Monorail platform by the stairs or elevator on Fifth Avenue.

Again, the Monorail Platform is on the third floor.

*YOUR FTA ANNUAL MEETING NAME BADGE IS YOUR MONORAIL TICKET.* Just show the badge for entry to the Monorail. (Without a badge, the cost is \$2.25 each way, cash only.)

At the end of the two-minute trip, you will exit at the Seattle Center station, adjacent to the Space Needle. There are no stops between the two stations.

We'll direct you to the entrance of the Chihuly, just a few yards around to the right of the Space Needle.

At the end of your evening, you will exit the event and find yourself facing the entrance to the Monorail, which makes for an especially easy return to the Westin. Again, your name badge is good for entry onto the Monorail for the entire evening. Washington staff will help guide you back to the Westin.

# Seattle Center Monorail

## Westlake Center Platform



### Walking to Westlake Center Monorail Platform:

- Use the stairwell/elevator located on the street level of 5<sup>th</sup> Avenue between Olive Way and Pine Street (across the street from Nordstrom) to get to the Monorail Platform located on the third floor of the building.

**OUR SPECIAL THANKS  
TO THE CONFERENCE HOST TEAM**

Vikki Smith, Director  
Washington State Department of Revenue

**FTA Planning Committee Members**

Heather Boe  
Patty Courie  
Denise Ertman  
Cindy Harris  
Susie LaPalm  
Barbara Murphy

## EVERYTHING AT A GLANCE

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### Sunday

- 2 p.m. – 8 p.m. Conference Registration (Registration remains open during conference hours)  
*Foyer of the Grand Level of the Westin*
- 6 - 8 p.m. Opening Meet-and-Greet Reception  
*Westin Fifth Avenue Room*

### Monday and Tuesday

- 7:45 a.m. Private meet-and-greet for new commissioners (Monday only)  
*Grand Crescent*
- 8 - 9 a.m. Commissioners Only Breakfast (Monday and Tuesday)  
*Grand Crescent*
- 8 - 9 a.m. Continental Breakfast  
*Foyer*
- 9 a.m. – Noon General Session  
*Grand Ballroom I*
- Noon – 1:30 Luncheon (provided Monday, on your own Tuesday)

## EVERYTHING AT A GLANCE

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1:30 - 5 p.m.	Concurrent Sessions  Technology <i>Grand Ballroom I</i>  Legal <i>Grand Ballroom II</i>  Compliance (Monday) <i>Vashon</i>  Management (Tuesday) <i>Vashon</i>  Sponsor Solution Series <i>Grand Crescent</i>
6 – 9 p.m.	Reception and Banquet (Tuesday) <i>Chihuly Glass and Garden</i>  Exhibits open at 6 p.m. The buffet dinner opens at 7:15. The indoor galleries will close at 7:30. The outdoor garden galleries remain open until 10:45 p.m.  <b>Wednesday</b>
9 – 9:30 a.m.	FTA Business Meeting (open to all) <i>Grand Ballroom I</i>
9:30 a.m. – Noon	General Session <i>Grand Ballroom I</i>



# 2017 FTA ANNUAL MEETING PROGRAM

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## Monday, June 12

8 - 9 a.m.	Commissioners Only Breakfast <i>Grand Crescent</i>
8 - 9 a.m.	Continental Breakfast <i>Foyer</i>
9 a.m. – Noon	General Session <i>Grand Ballroom I</i>

*Presiding: Kevin Sullivan, Commissioner, Connecticut  
Department of Revenue Services and President,  
FTA Board of Trustees*

### **Welcome**

*Vikki Smith, Director, Washington State Department of  
Revenue*

### **What Second Graders Already Know: 10 Lessons for Leading Government Transformation**

*Peter Hutchinson, Accenture Public Services Strategy*

*Break*

### **State Implications of Federal Tax Reform (Other Federal Influences Pressing on State Taxation)**

*Moderator: Harley Duncan, KPMG*

*Panelists: Karl Friedan, Council on State Taxation; Nonie  
Manion, Acting Commissioner, New York State Department of  
Taxation and Finance; and Michael Heffernan, Commissioner,  
Massachusetts Department of Revenue*

## **Presentation of FTA Awards**

*Special Presenter: Harley Duncan, KPMG*

Tony Mastin, Oklahoma, Winner, Harley T. Duncan Award for Leadership and Service

Andy Gerlach, accepting for South Dakota, co-winner of the Award for Technology Application

Diane Hardt, accepting for Wisconsin, co-winner of the Award for Technology Application

California Franchise Tax Board, honorable mention, Award for Technology Application

Courtney Kay-Decker, accepting for Iowa, Winner, Award for Research

**Noon – 1:30 p.m. Luncheon *Grand Ballroom III***

**1:30 – 5 p.m. Concurrent Sessions**

Focused Training on Building a Tax University *Fifth Avenue*

Technology *Grand Ballroom I*

Legal *Grand Ballroom II*

Compliance *Vashon*

Sponsor Solution Series *Grand Crescent*

## **Deep Dive into Training**

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*Fifth Avenue*

### **Focused Training on Building a Tax University**

*Jacob Foy, New Jersey Division of Taxation, Trainer*

*Those who have registered for this special training have a colored dot on their name badges*

## Technology

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*Grand Ballroom I*

### **FTA Technology Award Winners**

**Wisconsin - Income and Withholding Matching for  
Fraud Protection and Reconciliation**

*Diane Hardt, Wisconsin*

**South Dakota - Special Events Application for Onsite  
Tracking and Collection**

*Andy Gerlach, Secretary, South Dakota Department of  
Revenue*

**Tax Agency Long-Term Modernization — Incrementally**

*Neena Savage, Tax Administrator, Rhode Island Division of  
Taxation*

**Virginia's New Presence on the Web: Useful Tips on Updating  
Your Website**

*Craig Burns, Commissioner, Virginia Department of Taxation*

**The Future is Here: How Artificial Intelligence is Transforming  
Tax Administration**

*Alejandro Lira Volpi, Accenture Global Revenue*

## Legal and Tax Policy

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*Grand Ballroom II*

### **Review of legal cases**

*Bruce Fort, Multistate Tax Commission*

*Marilyn Wethekam, Horwood Marcus & Berk*

### **How to Address Your Tax Resolution Controversies, and Why You Should**

*Courtney Kay-Decker, Director, Iowa Department of Revenue*

*David Brunori, Quarles & Brady*

### **Marijuana Implementation**

*Panel: Pat Oglesby, Center for New Revenue and former chief tax counsel of the Senate Finance Committee;*

*David Gau, Executive Director, California Board of*

*Equalization; Michael Heffernan, Commissioner,*

*Massachusetts Department of Revenue; and*

*Jim Morgan, Washington State Liquor and Cannabis Board*

## Compliance

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*Vashon*

### **Compliance Updates on Sales Suppression Audits and Audit Sampling**

*Mike Chertude, Washington State*

### **Multi-Genre Analytics and Advanced Pattern Detection in Compliance and Fraud Detection**

*Elaine Crutchly, Teradata*

### **A Peek Inside Collection Agencies**

*Charlie Helms, AllianceOne Receivables Management*

### **Using Predictive Analytics and Data to Enhance Accounts Receivable Management**

*Ted London, FICO*

## Sponsor Solution Series

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Specialized content provided by Marketing Partners

*Grand Crescent*

### **Bloomberg BNA**

1:30 p.m. - 2:15 p.m.

#### **The Power of Technology to Accurately, Fairly, and Efficiently Collect State Corporate Income Tax Revenue**

Learn how to leverage Bloomberg BNA's State Tax™ Analyzer software to target returns worth auditing; analyze impacts of state tax adjustments, propose changes, and close audits faster; provide process improvements; and position your tax examiners and agents to accurately, fairly, and efficiently collect more state corporate income tax revenue. NOTE: IRS uses Bloomberg BNA Corporate Tax™ Analyzer to achieve the same results at the Federal level for over a decade!

*Rashid Nur, Executive Director Business Development,  
Bloomberg BNA, Software*

*Diane Tinney, Director Product Management, Bloomberg BNA,  
Software*

*Ryan Sheehan, Business Analyst – Subject Matter Expert,  
Bloomberg BNA, Software*

## Sponsor Solution Series

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Specialized content provided by Marketing Partners

*Grand Crescent*

### **Fast Enterprises**

2:25 p.m. - 3:10 p.m.

### **This is Your Brain on Taxes**

The brain does not function as logically and rationally as we may think. In fact, human behavior is driven by a strange combination of perception, attitudes, and social norms. The fields of social psychology and behavior economics provide insight into what induces compliant tax behavior and, conversely, why people cheat. These insights can help tax administrators improve voluntary compliance and build enforcement programs that are truly effective.

*Will Rice*

*Director*

*Fast Enterprises*



## Sponsor Solution Series

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Specialized content provided by Marketing Partners

*Grand Crescent*

**Revenue Solutions, Inc.**

3:20 p.m. - 4:05 p.m.

### **Combating Refund Fraud: Recent Trends and Successful Prevention Techniques**

Are you being beaten by criminals and cyber-thieves? You may be stopping some refund fraud, but are you applying all available fraud prevention techniques? This solution series presentation will describe how the most recent trends in refund fraud have driven tax agencies to change the way they approach identity theft and identify falsified claims, and how the effective use of internal and external data, applied analytics, and industry best practices has successfully impacted the number of fraudulent refunds being sent to fraudsters.

*Kevin Frisoli*  
*Director*  
*Revenue Solutions, Inc.*

## Sponsor Solution Series

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Specialized content provided by Marketing Partners

*Grand Crescent*

### **Harmari by LTAS**

4:15 p.m. - 5:00 p.m.

### **Tax Discovery Beyond the Phonebook**

Historically many revenue discovery projects rely on the phone book: indisputable, public, complete and (mostly) accurate. Modern versions of phone book discovery include IRMF data (from 1099K), and even simple keyword searches online can bring back directories of data. However, many weaknesses exist with some of these methods that can be overcome by accessing online databases with efficiency. Learn how to leverage online classifieds, e-commerce, satellite maps, and machine learning to solve some of the most challenging problems to state revenue agencies today. Applications will target short term vacation rentals, sharing economy, cash economy, warehouse/logistics nexus, taxable service providers, auto parts, Montana LLC-registered vehicles and more.

*Allen Atamer*  
*CEO and Principal Engineer*  
*Harmari by LTAS*

## 2017 FTA ANNUAL MEETING PROGRAM

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### Tuesday, June 13

8 - 9 a.m.	Commissioners Only Breakfast <i>Grand Crescent</i>
8 - 9 a.m.	Continental Breakfast <i>Foyer</i>
9 – Noon	General Session <i>Grand Ballroom I</i>
Presiding:	<i>Ken Roberts, Chairman, Idaho Tax Commission, and First Vice President, FTA Board of Trustees</i>

#### **Succession Planning: Framework for Employee Decision Making**

*Nonie Manion, Acting Commissioner, New York State Department of Taxation and Finance*

*Break*

#### **How to Make the Most of Your Millennial Workforce (A Brief Primer)**

*Michael Zaydon and Anne Donovan, PricewaterhouseCoopers LLP*

#### **What Tax Agency Executives Need to Know about the Shared Fight Against Refund Fraud (A Primer)**

*Panel: Jonathan Lyon, FTA; Doreen Warren, Idaho Tax Commission; Ryan Minnick, FTA*

#### **Save the Date for Nashville – June 3-6, 2018**

*David Gerregano, Commissioner, Tennessee Dept. of Revenue*

## 2017 FTA ANNUAL MEETING PROGRAM

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**Tuesday, June 13**

**Noon – 1:30**

**Lunch - On your own**

**1:30 – 5 p.m.**

**Concurrent Sessions**

Technology *Grand Ballroom I*

Legal *Grand Ballroom II*

Management *Vashon*

Sponsor Solution Series *Grand Crescent*

## Technology

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*Grand Ballroom I*

### **Industry Partners in E-File: National Association of Computerized Tax Processors**

*Panel: Mimi Nolan, H&R Block; Angela Camp, Intuit; and Mark Castro, Petz Enterprises*

### **Cybersecurity and the State Tax Threat Environment**

*Tim Hastings, FireEye*

### **Available Technology that will Help You Authenticate Taxpayers**

*Julie Magee*

### **Panel: Overview of Security Summit Efforts — National Standards and Recommendation**

*Panelists: Tamara Powell, IRS; Doreen Warren, Idaho; Julie Magee, ETAAC*

New Role for the Electronic Tax Administration Advisory Council (ETAAC)  
Overview of Security Summit Efforts — National Standards and Recommendations  
New and Newly Evaluated Authentication Measures  
Expanding Cooperative Information Sharing Steps  
Recovering Fraudulent Refund Monies — New Tools are Available  
Holding E-File Vendors to Higher Security Standards  
Taxpayer and Preparer Fraud Messaging — Is our Message Getting Through?  
New (and Expected) Threat Vector — Exploitation of the Tax Professional and Employer Communities  
Operation of the Information Sharing and Assessment Center (ISAC) — Wednesday general session preview

## Legal and Policy

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### *Grand Ballroom II*

#### **Panel: Quill, Then and Now**

*Panelists: Kevin Sullivan, Commissioner, Connecticut Department of Revenue Services; Andy Gerlach, Secretary, South Dakota Department of Revenue; Nonie Manion, Acting Commissioner, New York State Department of Taxation and Finance; Fred Nicely, COST; Christine Mesirov, Ohio Office of the Attorney General; Max Behlke, National Conference of State Legislatures*

#### **Panel: Partnership Audits: Understanding and Dealing with the Change**

*Moderator: Helen Hecht, Multistate Tax Commission  
Panelists: Sue Leighton, Pennsylvania Department of Revenue; Nikki Dobay, COST; Tracee Abel, Montana Department of Revenue*

#### **Panel: Challenges of the New (home-and-ride) Sharing Economy**

*Panelists: Liz Malm, MultiState Associates; Richard Cram, Multistate Tax Commission; Steve Kranz, McDermott, Will and Emery*

## Management

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*Vashon*

**Getting Unstuck: Trust Repair Strategies**

*Wendy Fraser, Ph.D., Fraser Consulting, LLC*

*Three-minute break*

**Millennials in the Workplace: Finding Value in the Next Generation of Your Workforce**

*Michael Zaydon and Anne Donovan, PricewaterhouseCoopers LLP*

*Note: The full break will be at 3:30*

**Maryland's Approach to Developing and Training Future Leaders**

*Sharonne Bonardi, Deputy Comptroller, Office of the Maryland Comptroller*

**Achieve Customer Satisfaction Through a More Robust Website**

*Morgan Powers, Tennessee Department of Revenue  
Don Graham, Alabama Department of Revenue*

**Sponsor Solution Series**  
**Specialized content provided by Marketing Partners**

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*Grand Crescent*

**ASR Analytics**

1:30 p.m. - 2:15 p.m.

**Machine Learning – The Future of Taxpayer Compliance**

Find out how machine learning technology can help you discover areas of non-compliance that were previously hidden. Business Tax compliance through state-of-the-art analytics is the focus of this session with ASR Analytics Principal, Jeremy Howard. By leveraging proprietary machine learning algorithms designed to automatically detect previously unrecognized patterns, much can be discovered in data you already own. As the solution evolves with incoming data, so will your non-compliance team. High priority targets will automatically be identified without human intervention. This allows your team to spend less time identifying leads, and more time increasing revenue generation. Come see how Machine learning and analytics can help your agency identify fraud and non-compliance in Sales Tax and other Business Tax that may currently be going unnoticed.

*Jeremy Howard*  
*Principal*  
*ASR Analytics*



**Sponsor Solution Series**  
**Specialized content provided by Marketing Partners**

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*Grand Crescent*

**Pondera Solutions**

2:25 p.m. - 3:10 p.m.

**Analytics, Audits, and Action: Non-compliant taxpayers and revenue recoupment**

Pondera's system for Tax and Revenue brings next generation data analytics and human innovation to tax compliance and improved audit selection. Pondera's system will help your auditors improve the selection of potential compliance targets through analytical tools, alerts, and dashboards. The results of using our system allow you to develop expectations and profiles of reporting behavior for compliant and non-compliant taxpayers giving your audit divisions the ability to focus limited resources on taxpayers with specific characteristics that indicate a strong likelihood of unpaid taxes through failure to register, failure to remit, and/or under-reporting. You will see revenues increase through the improved identification of non-compliance. With 38 years of experience at the Florida Department of Revenue, Peter Steffens will talk about how Pondera's system improves business tax compliance through advanced analytics and technology.

*Peter Steffens*  
*Senior Tax and Revenue Consultant*  
*Pondera Solutions*

**Sponsor Solution Series**  
**Specialized content provided by Marketing Partners**

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*Grand Crescent*

**Teradata**

3:20 p.m. - 4:05 p.m.

**Teradata Solution Series – Enhancing Tax Compliance and Analytics utilizing a Discovery Platform to Drive Greater insights with New Data**

In this Solution Series, Teradata will show the benefits of easily bringing in new sources of data to enhance tax compliance and analytics. Teradata will demonstrate new capabilities leveraging tools such as text mining, path analysis, word associations, etc. Also, enabling this analysis to be done across multiple platforms (structured and unstructured) where the data resides today (i.e. Hadoop, Oracle, SQL Server, etc.).

*Les Arnold, Sr.*  
*Solution Architect*  
*Teradata*

*Bill Damico, Sr.*  
*Solution Architect*  
*Teradata*

**Sponsor Solution Series**  
**Specialized content provided by Marketing Partners**

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*Grand Crescent*

**AuthenticAID, Inc.**

4:15 p.m. - 5:00 p.m.

**Getting 20% More from the Treasury Offset Program**

The Treasury Offset Program (TOP) is a tremendous tool for collecting tax debts. However, are you using the tool to get the most out of the TOP process? This session will discuss TOP processing at a high level and inform the audience on ways to increase data matches and revenue for the state.

*Balaji "Raj" Rajan*  
*CEO*  
*AuthenticAID, Inc.*

*Dwight Vigna*  
*Senior Vice-President*  
*AuthenticAID, Inc.*



**6 – 10:45 p.m. Closing Reception and Banquet  
Chihuly Garden and Glass**

Monorail instructions are included on page 3 of this booklet. Your badge is all you need for the Monorail and the Chihuly. Self-tours of the exhibits are available from 6 p.m. An audio tour is available if you have a Wi-Fi-enabled smart phone. The Chihuly Wi-Fi password is posted on a wall. Appetizers and beverages are available from 6 p.m. Beverages are available at the beginning and at the end of the galleries. Appetizers will be passed in the fourth, fifth and sixth galleries. You are encouraged to wander among all the galleries with your beverages until about 7:30 p.m. A buffet dinner will be available beginning at 7:15 p.m. You will want to spend time strolling through the outdoor gardens, which encircle the glass dining area. The outdoor garden galleries remain open until 10:45 p.m. Please note that the famous “glow” begins at nightfall, which in the northern latitudes is around 8:30 p.m. Remember also that your return will be on the Monorail, which is steps away from the Garden exit.

## 2017 FTA ANNUAL MEETING PROGRAM

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### Wednesday, June 14

8 - 9 a.m.	Continental Breakfast <i>Foyer</i>
9 – 9:30 a.m.	FTA Annual Business Meeting <i>Grand Ballroom I</i>
9:30 – noon	General Session <i>Grand Ballroom I</i>
Presiding:	<i>Andy Gerlach, South Dakota Department of Revenue and Secretary, FTA Board of Trustees</i>

9 - 9:30 a.m.      **FTA BUSINESS MEETING**

Open to all; the senior representative from each FTA member agency is requested to attend and vote on Resolutions and nominations for the Board of Trustees. FTA members are the 50 state tax agencies, Philadelphia, New York City and the District of Columbia.

9:30 – Noon

**GENERAL SESSION**

**Congratulations, You Have an ISAC. Now What?**

*Chairs, ISAC Partnership: Courtney Kay-Decker, Director, Iowa Department of Revenue; Todd Egaas, Internal Revenue Service; Mike Beebe, Internal Revenue Service; Bernie McKay, Intuit*

**Reach Your Goals: Overcoming Obstacles under the Most Difficult Conditions**

*Helen Thayer, Author and Adventure Explorer*

11 a.m. – noon **CPE/CLE Training on Ethics**

Trainer: Glenn C. McCoy, Jr., J.D., KPMG

Noon

Adjourn

**FTA Thanks Our Marketing Partners**

**Silver Partners**

CGI Technologies &  
Solutions, Inc.

LexisNexis Risk Solutions

Mathtech, Inc.

MorphoTrust USA

**Bronze Marketing Partners**

ADP, LLC

Altria Group Distribution Company

EOS USA

Eversheds Sutherland (US) LLP

Microsoft

Oliver Wyman

## FTA Thanks our Gold Marketing Partners



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