LinkedIn:
A Tax Administration Dialogue via Social Media

NESTOA Annual Meeting
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Today's Topics:

LinkedIn
SaLT Community→Engagement→Where next?

Today's Presenter:

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Agenda

Social Media and Tax Administration

Topics and Highlights

LinkedIn Lessons Learned

Discussion and Questions

Disclaimer

The Executive Office of the Pennsylvania Department of Revenue has been supportive and in many cases engaged in my activities in the LinkedIn community.

However, the ideas and opinions expressed by me there are my own and not necessarily those of my employer.

Direction

To those of you who engage on LinkedIn regarding best practices for tax administration and collection, a very special thanks for our ongoing dialogue. For those of you who have not, please take this as my personal invitation to join us there.

Social Media
And
Tax Administration

Social Media and Tax Administration

Why LinkedIn? Why now?

Customer/stakeholder segmentation

Characteristics of (my) SaLT online community

Branding

Benefits from the conversation

Social Media and Tax Administration

Why LinkedIn? Why now?

- A PRESENCE: we need to join 'our community' on LinkedIn.

- CONNECT. We are disconnected. We need to head towards connected, mobile interaction with our social networks. LinkedIn is one of them.

- MULTIPLY our key messages AND find out what's going on.

- BURGEONING AUDIENCE – the SaLT community

- 850 pre-established face-to-face contacts (old-timers – Rolodex) already on LinkedIn put me in reach of this large community.

Social Media and Tax Administration

Customer/stakeholder segmentation

- Other than taxpayers, who are the key stakeholders for tax agency engagement?
  - Tax agencies/administrators
  - Private sector tax professionals/consultants
  - Business, tax and government media
  - Technology, data and professional services
- LinkedIn provides the opportunity to engage

Social Media and Tax Administration

Characteristics of SaLT LinkedIn community

- Active participants – organizations
  - 53 tax agencies (state, local and national)
  - 87 non-governmental (mostly business)
- Active participants - individuals
  - Public sector:
    - 3,775 state and national tax administrators
    - 21 current/former commissioners
  - Private sector 632
- LinkedIn account statistics
  - 10,000 total contacts
  - Over 2,750 90 day profile checks

Social Media and Tax Administration

Branding by what we say and do. A tax agency:

- Encourages voluntary compliance
- Conveys its role as a transparent and trustworthy financial institution
- Safeguards taxpayer data
- Engages taxpayers and their representatives through a solid customer experience
- Pursues 'best practices' and 'state-of-the-art' technology offerings
- Enforces fair and equitable payment of taxes

Social Media and Tax Administration

Benefits to tax administrators

- Access a channel used by thousands of tax professionals
- Ability to gauge the policy issues/topics important in the community, both private sector voices and those of other agencies
- Plan and deliver messages that matter
  - Voluntary Compliance is the goal
  - Protecting fair and equitable payment of tax
- Reinforce the brand you desire

Topics
And
Highlights

Topics and Highlights

Compliance – Vermont use tax notices

- SUMMARY of posting: Vermont is notifying purchasers they owe use tax. This is a necessary but labor intensive step for both tax administrators and taxpayers responding when online retailers are not collecting sales tax. The complementary use tax is due from those instate customers who have acquired taxable goods. The state's approach to educate its taxpayers is very important. Instate customers of online retailers need to know that there is no "Internet tax freedom." State sales (or use) tax is due on those sales.

Topics and Highlights

Compliance – Vermont use tax notices

- https://www.sevendaysvt.com/OffMessage/archives/2017/08/30/vermont-tax-department-sends-letters-seeking-unpaid-sales-tax
- Notable comments/stats:
  o 1,375 views / 17 likes
- Senior tax agency official: '*It's about fairness for the brick and mortar businesses that have to compete with the businesses that don't collect the sales tax. If you think it's only about revenue generation, then you think the glass is half empty.*'

Topics and Highlights

Customer experience – Perception is reality

- SUMMARY of posting: Our failures to excel are noted on social media by those who have not gotten the response they desire. Social media multiplies their impressions whether negative or positive. If we do not manage these messages proactively, they remain outside of our control. Our brand is what our taxpayers … customers … say. Our effectiveness depends on this being good.

Topics and Highlights

Customer experience – Perception is reality

- LINK: https://www.forbes.com/sites/kpmg/2018/06/19/the-great-rewrite-profiting-from-the-customer-revolution/#17a9979e6c76
- Notable comments/stats:
  - 2,640 views / 28 likes
- Corporate government relationships official: '*The states and the taxpayers need to work toward building better relationships, not just transactional.*'

Topics and Highlights

Data analysis - How delinquent Detroit taxpayers taught tax collectors that threats really work

- SUMMARY of posting: A "one-size fits all" handling of all tax delinquents is no longer an acceptable single strategy for case workflow by tax administrators. Like the City of Detroit, state tax agencies must look to improve compliance by sharpening the effect of notices and other actions taken to bring those who owe tax dollars back into compliance.

Topics and Highlights

Data analysis – How delinquent Detroit taxpayers taught tax collectors that threats really work

- LINK: http://www.crainsdetroit.com/article/20170413/NEWS01/170419918/how-delinquent-detroit-taxpayers-taught-tax-collectors-that-threats?lipi=urn%3Ali%3Apage%3Ad_flagship3_profile_view_base_recent_activity_details_shares%3BEzzHJNT3S3G9LZqcQ%2BvvVA%3D%3D
- Notable comments/stats:
  - 1,100 views / 12 likes
- From the article: 'It turned out that the threat worked best. More than 10 % of taxpayers responded to the letter mentioning a fine and jail time, more than 3 times the response rate of the basic control letter.'

Topics and Highlights

Employee engagement – Australian Taxation Office employee survey

- SUMMARY of posting: This is a best practice I hope to see US state tax administrators emulate. It is important to see the direction of engagement/employee satisfaction among your workforce. While it is difficult to get started, knowing you are doing better with motivating and leading is more important than initial scores that may not be what is desired.

Topics and Highlights

Employee engagement – Australian Taxation Office employee survey

- LINK: https://www.linkedin.com/pulse/staff-have-say-ato-great-place-work-brad-chapman
- Notable comments/stats:
  ○ 2,400 views / 19 likes
- Senior Tax Agency official: 'Here in (my state), we are all-in on creating a healthy work/life balance and placing an emphasis on employee satisfaction. "Work hard, play hard" doesn't have to belong to the private sector.'

Topics and Highlights

Strategic planning and reporting – HMRC annual report highlights

- SUMMARY of posting: The stellar performance reported by HMRC deserves highlighted. They are pursuing a roadmap to digital tax administration and service delivery that all tax agencies need to be on. It appears that HMRC is well on its way to sustaining its path to greater efficiency and compliance by transforming the way it conducts its tax business.

Topics and Highlights

Strategic planning and reporting – HMRC annual report highlights

- LINK: https://www.youtube.com/watch?v=Yb-ygqv2Src
- Notable comments/stats:
  - 5,135 views / 26 likes
- HMRC official: 'Those that want more money will always follow it, but the wider employee experience is with organisations like us, and we have to play to that. My salary doesn't motivate me. I enjoy the challenges and ethos and the level of impact. I never got that in the private sector and was paid considerably more.'

Topics and Highlights

Trustworthiness of tax agencies/officials

- SUMMARY of posting: Let me be clear - charges only at this point. However, unfortunate events often present the best teachable moments. State tax administrators - do not run away from this but embrace this in terms of an ethics lesson for the next generation of those who will be charged with collection of our states' taxes. We must all work to preserve the trust that taxpayers/constituents place in us to do our jobs with integrity and dedication.

Topics and Highlights

Trustworthiness of tax agencies/officials

- LINK: http://nmpolitics.net/index/2018/06/former-tax-and-revenue-secretary-charged-with-embezzlement/
- Notable comments/stats:
  - 8,430 views / 50 likes
- Former senior state tax official: 'Good post and amazing story, Kevin. I never even got trained on how to access taxpayer information. I would never need to access it, and didn't want the appearance that I even could.'

LinkedIn Lessons Learned

LinkedIn Lessons Learned

- There is a ready group of participants and information consumers on LinkedIn.
- Negative news is a big deal.
- There is hope – good news is almost as big a deal
- States are missing out by not learning from and sharing with tax agencies outside the United States through the LinkedIn channel
  - o Customer experience
  - o Digital tax administration
  - o Outreach and education

LinkedIn Lessons Learned

In LinkedIn and social media – what next?

- Tax agency messaging – attempt to DRIVE the STRATEGIC agenda/branding
  o Customer service
  o Employee engagement
  o Processes and technology
  o Data and analysis
  o Tax compliance

- With planning:
  o Choose messages and messengers consistent with branding – Lightning quick turn around time
  o Connections/presence mean job candidate recruitment
  o Communications with employees/stakeholders

Discussion and Questions

Discussion and Questions

My questions for you

- Which priority messages are key for you and your agency to convey to the state taxation community via social media?

- What are the social media/channels in which your agency has presence? Why?

- What do you think is the most important audience using social media? Why?

- What is the most effective use of social media you have observed? When?

Your questions

Thank You!