

RESPONSIBILITIES OF THE DEPARTMENT

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he Ohio Revised Code (Section 5703.05) states that “all powers, duties and functions of the Department of Taxation are vested in and shall be performed by the Tax Commissioner. . .” The Tax Commissioner is appointed by the Governor, is subject to confirmation by the Ohio Senate and serves at the pleasure of the Governor.

In general, the Tax Commissioner is responsible for the administration of most state-collected taxes and several locally-collected taxes, and exercises supervision over the real property tax. Responsibilities also involve several programs that distribute revenues to local governments, including:

- Motor Fuel tax distributions;
- Local property tax relief reimbursements;
- Distributions of the Library and Local Government Support Fund, the Local Government Fund, the Local Government Revenue Assistance Fund; and
- Distributions of the Local Government Property Tax Replacement Fund.

The Tax Commissioner is empowered to make “all tax assessments, valuations, findings, determinations, computations and orders,” which the Department is, by law, authorized and required to make, as well as to review or re-determine and to correct previous assessments, valuations or findings. The Tax Commissioner’s other principal responsibilities are:

- Promulgating rules and regulations and preparing and distributing tax returns and other reporting forms;
- Auditing returns, levying assessments and penalties, and granting or denying tax refunds; and
- Issuing, revoking or suspending certain licenses and permits.

In addition, the Tax Commissioner has certain specified duties. These are:

- Actual collections of Individual Income, Horse Racing, Sales, Corporate Franchise, and Excise taxes;
- Operating a central collection and reporting system for the Municipal Income taxes on electric companies; and
- Maintaining a continuous study of the practical operation of the taxation and revenue laws of the state, the probable revenue effect of possible changes in existing laws, and proposed measures providing for other forms of taxation.

To efficiently perform these numerous functions, the Tax Commissioner is authorized by law to create such divisions and sections of employees as are deemed proper. The organization chart accompanying this chapter indicates the structure of the department as of June 30, 2002. In addition to five Deputy Tax Commissioners, the Department has a Chief Information Officer and a Chief Counsel. These executive staff members oversee various operating divisions, including:

- Sales and Use
- Audit
- Operations and Support
- Corporate Franchise
- Personal Income
- Personal Property
- Public Utility
- Taxpayer Services
- Compliance
- Excise
- Tax Equalization
- Estate

There are also administrative staff sections, including:

- Chief Counsel
- Administrative Counsel
- Budget and Fiscal
- Employee Development and Training
- Human Resources
- Forms
- Enforcement
- Appeals Management
- Revenue Accounting
- Tax Appeals
- Tax Analysis
- Legislation
- Communications
- Information Services
- Bankruptcy

The Department has a Problem Resolution Officer who reports directly to the Tax Commissioner. This officer provides additional assurance to taxpayers that their rights are being protected. To further serve Ohio residents and those in other states that have a business or residential nexus with Ohio, Taxpayer Service Centers are located in eight major cities throughout Ohio.

At the close of Fiscal Year 2002 there were 1,151 permanent employees and 188 intermittent employees within the Department. Expenditures of over \$111 million were made during the fiscal year to fulfill the Department’s various functions and responsibilities. Further detail on the number of employees and expenditures is shown in Tables 1 and 2.

The Department of Taxation also has an assessment role which consists of levying assessments against corporations and individuals which either file taxes incorrectly, fail to or do not pay the full amount of taxes due; or for holders of tangible and intangible personal property, the assessment process is used to determine taxable value of the property. For details on the additional revenue collected by these assessments, see the

Compliance Division chapter.

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**Table 1
ODT Staff Structure & Number of Employees, Fiscal Year 2002**

Unit of Organization	Number of Employees June 30, 2002	Unit of Organization	Number of Employees June 30, 2002
Administrative Divisions		Personal Property Tax	
Tax Commissioner	15	Administration	8
Human Resources	11	Information Processing	6
Tax Analysis	8	Inter-County Central Audit	6
Employee Dev. & Training	6	District Support	2
Legislation & Communications	8	Citation	8
Administrative Counsel	1	Division Total	30
Divisions Total	49	Public Utilities	7
Audit		Sales & Use Tax	
Administration	5	Administration	4
Processing & Support	19	Audit Review	1
South Central Region	48	Sales Tax	32
Northwest Region	71	Central Audit	2
Northeast Region	55	Division Total	39
New York	5	Service Centers	
Chicago	6	Service Center Administration	3
Los Angeles	7	Akron	17
Division Total	216	Cincinnati	18
Bankruptcy	6	Cleveland	24
Budget & Fiscal		Columbus	11
Budget & Fiscal	3	Dayton	12
Budgeting/Accounts Payable	5	Toledo	10
Facilities Management	18	Youngstown	12
Revenue Accounting	10	Zanesville	6
Division Total	36	Division Total	113
Enforcement	21	Service Center	
Estate Tax	14	Administration	2
Excise & Motor Fuel Tax		Processing & Extraction	67
Administration	4	Accounting & Cashiers	20
Fuel Use	26	Data Entry	61
Motor Fuel	13	Files	23
Excise Tax	3	Mail Room	7
Division Total	46	Division Total	180
Forms	4	Tax Equalization	
Income Tax Audit		Administration & Legal	13
Administration	5	Data Collection	7
Income Tax Audit	71	Computer Stat. Analysis	4
School District Income Tax	7	Division Total	24
Division Total	83	Taxpayer Services/Compliance	28
Information Services		Administration	5
Administration	13	Billings	15
Application/Development	42	Assessments	26
Operations/Production	7	Division Total	46
Technical Services	39	Taxpayer Services	
Info. Technical Planning	11	Administration	4
Admin./Customer Service	22	Customer Assistance	43
Division Total	134	Division Total	47
Legal	27	Total Permanent Employees	1151
Operations & Support	1	Intermittent Employees in Pay Status	188
		Total Employees in Pay Status	1339

**Table 2
Expenditures of the Ohio Department of Taxation by Division
Fiscal Year 2002**

Division	Personal Service and Purchased Personal Service	Maintenance and Equipment	Total
Administrative	\$8,349,297	\$1,908,940	\$10,258,237
Audit	14,472,764	1,188,733	15,661,497
Income & Corporate Franchise Tax	4,271,507	252,525	4,524,032
Enforcement	1,506,096	197,018	1,703,114
Estate Tax	1,091,852	75,800	1,167,652
Excise Tax	2,873,035	711,464	3,584,499
Information Services	18,065,074	5,767,987	23,833,061
Personal Property Tax	2,126,170	141,891	2,268,061
Processing Center	12,636,035	8,224,592	20,860,627
Public Utilities Tax	554,587	30,300	584,887
Sales & Use Tax	3,199,511	1,232,065	4,431,576
Tax Equalization	1,853,418	132,610	1,986,028
Taxpayer Service Centers	10,273,759	1,600,274	11,874,033
Taxpayer Services/Compliance	7,121,300	1,173,095	8,294,395
Total	\$88,394,405	\$22,637,294	\$111,031,699

