



Kathy L. Revel, Director

Delaware Division of Revenue Update

Fed/State Tax Institute

December 5, 2023

Topics



- Introduction to the Division of Revenue
 - Background
 - Responsibilities
- 2023 Tax Year Changes
- Information about DOR's IRAS Project

Introduction



- **Part of the Department of Finance**
- **Locations in all three counties**
 - Carvel, 1st, 8th and 9th floors, Wilmington
 - Thomas Collins Building, Dover
 - DuPont Blvd., Georgetown
- **Approximately 185 personnel**
 - Including merit, casual-seasonal, contractual, staff augmentation

Functional Areas



- Processing
 - Mailroom
 - Data Entry
 - Return Processing
 - Business tax processing
 - Personal income tax processing
- Field Operations (Dover/Georgetown)
- Public Service (all three offices)

Functional Areas



- Audit
 - Personal income tax
 - Business taxes
 - Corporate income tax
 - Processing
 - Enforcement
- Collections
 - Administrative/Legal support
 - Judgments
 - Bankruptcy
 - Decedents' estates
 - Domestications
 - Embedded collectors
 - Outside Collection Agencies

Functional Areas



- Tax Conferee
 - Internal appeals
 - Administrative law judge
 - Requests for Rulings
- Tax Appeal Board (separate from DOR)
 - Quasi-judicial
 - Appointed by the Governor
 - 5 members
- Miscellaneous
 - Project personnel
 - IRS Liaison
 - Deputy Attorneys General
 - Criminal Investigations



What do we do?

Helpful Contacts



Type of Inquiry	Telephone Number	Email Address
Personal Income Tax Assistance	(302) 577-8200	<u>DOR_PublicService@delaware.gov</u>
Collections/Account Management	(302) 577-8785	<u>DOR_Collections@delaware.gov</u>
Installments	(302) 577-8586	<u>DOR_Collections@delaware.gov</u>
Business License Assistance	(302) 577-8778	<u>DOR_BusinessTax@delaware.gov</u>
Corporate Franchise Tax	<i><u>(see Division of Corporations)</u></i>	<u>DOSDOC_ftax@delaware.gov</u>
Corporate Tax Auditors	(302) 577-8783	<u>DOR_CorpTax@delaware.gov</u>
Corporate Tax Refund/Returns	(302) 577-8781	<u>DOR_CorpTax@delaware.gov</u>
Gross Receipts	(302) 577-8780	<u>DOR_BusinessTax@delaware.gov</u>
Personal Income Tax Auditors	(302) 577-8994	<u>DOR_PersIncTax@delaware.gov</u>
Refund Assistance	(302) 577-8784	<u>DOR_RevAccounting@delaware.gov</u>
Withholding Tax	(302) 577-8779	<u>DOR_BusinessTax@delaware.gov</u>
Tax Conferee		<u>TaxConferee@delaware.gov</u>

2023 PIT Changes



- **New Check Boxes on Personal Income Tax Forms**
- 529 Contribution to Delaware-sponsored tuition program and ABLE Program Contributions check boxes will designate deduction being taken
- Military Pension Checkbox has been created to designate a taxpayer who is under the age of 60 but qualifies for the full pension deduction of \$12,500
- Check box added to front of return for taxpayers who can be claimed on another individual's return.

- **New Refundable Tax Credit:**
Organ and Bone Marrow Transplantation Tax Credit

2023 Business Tax Changes



HB 2 with HA 1 and HA2-Marijuana Control Act

- **Recreational Marijuana** – creation of a marijuana control tax on retail marijuana at the rate of 15%. Licenses will be issued by the Office of the Marijuana Commissioner. The tax for the 30 authorized retailers will be required to submit tax filings and payments through the Division of Revenue portal. The retail sales are not subject to gross receipt tax.
- This act also creates a state tax deduction for corporations and pass through entities for all ordinary and necessary expenses paid or incurred by a marijuana establishment to reflect inability of a business licensed under this act to deduct these expenses from federal and state taxes.

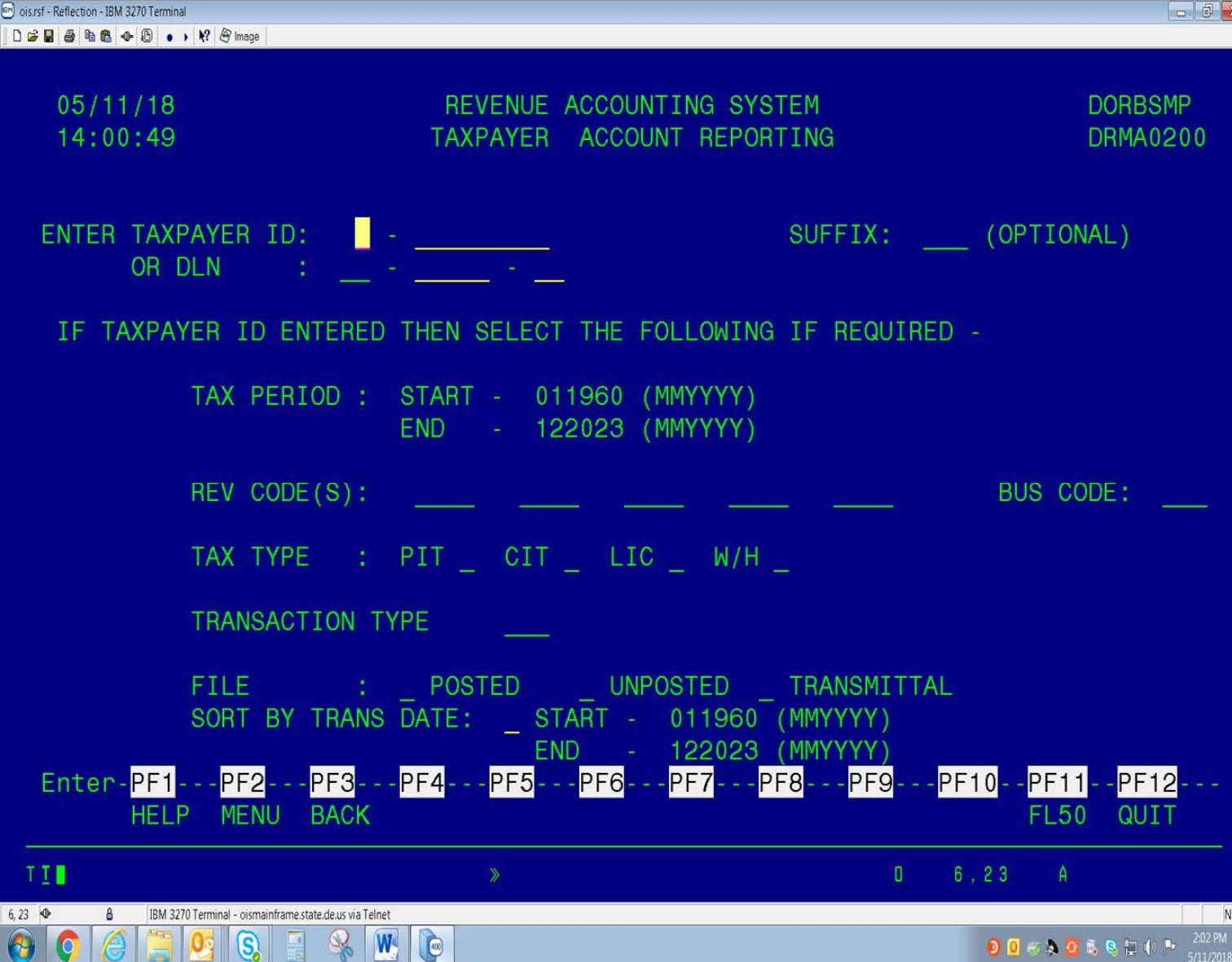
988-Behavioral Health Crisis Intervention Services

- The Act established a 60-cent per month per line fee on phone lines and a 60-cent one-time fee on prepaid services

The logo features the word "IRAS" in a large, bold, dark blue sans-serif font. To the right of the "S" is a teal-colored outline of the state of Delaware. Below "IRAS" is the word "DELAWARE" in a smaller, bold, dark blue sans-serif font. At the bottom is the phrase "DIVISION OF REVENUE" in a teal-colored sans-serif font. The entire logo is centered within a white circle that has a dark teal, textured border.

IRAS
DELAWARE
DIVISION OF REVENUE

Current System



ois.rsrf - Reflection - IBM 3270 Terminal

05/11/18 REVENUE ACCOUNTING SYSTEM DORBSMP
14:00:49 TAXPAYER ACCOUNT REPORTING DRMA0200

ENTER TAXPAYER ID: - _____ SUFFIX: ____ (OPTIONAL)
OR DLN : ____ - _____ - ____

IF TAXPAYER ID ENTERED THEN SELECT THE FOLLOWING IF REQUIRED -

TAX PERIOD : START - 011960 (MMYYYY)
END - 122023 (MMYYYY)

REV CODE(S): _____ BUS CODE: _____

TAX TYPE : PIT _ CIT _ LIC _ W/H _

TRANSACTION TYPE _____

FILE : _ POSTED _ UNPOSTED _ TRANSMITTAL
SORT BY TRANS DATE: _ START - 011960 (MMYYYY)
END - 122023 (MMYYYY)

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---
HELP MENU BACK FL50 QUIT

T I █ > 0 6,23 A

6,23 IBM 3270 Terminal - oismainframe.state.de.us via Telnet NUM

2:02 PM
5/11/2018

What is IRAS?

- IRAS is ...
 - A modernized, web-based, real-time processing system
 - Including registration, return processing, payment processing, taxpayer accounting, revenue accounting, audit, collections, and case management
- Taxpayers can access more information online through the portal
 - File and pay for Personal Income Tax, Withholding, Gross Receipts, and other business taxes
 - File and pay estimated taxes for Personal Income
 - Account Balance & Transaction Information
 - Access to Correspondence (e.g., Bills, Requests, TANs)
 - Delegation to Tax Preparers
 - Service Requests
 - Reprint Licenses Immediately
 - Payment Plans
 - Pay Bills Online
 - Bulk Filing



When and what?



IRAS & Portal Go Live Dates

- Launched in November 2020
- Portal launched in December 2020
- Portal File, Pay, and more is now available to
 - File returns
 - Pay tax
 - Renew business licenses
 - Request assistance (help tickets)
 - View correspondence online
- Business-Related Taxes
 - Business licenses
 - Gross receipts
 - Alcohol and Tobacco Taxes
 - Withholding Tax
 - Tangible Personal Property Use Tax
 - Realty Transfer Tax
 - Public Accommodation Tax
 - Public Utilities Tax
 - E-911 Surcharge
 - Manufactured Home Trust Fund Payments

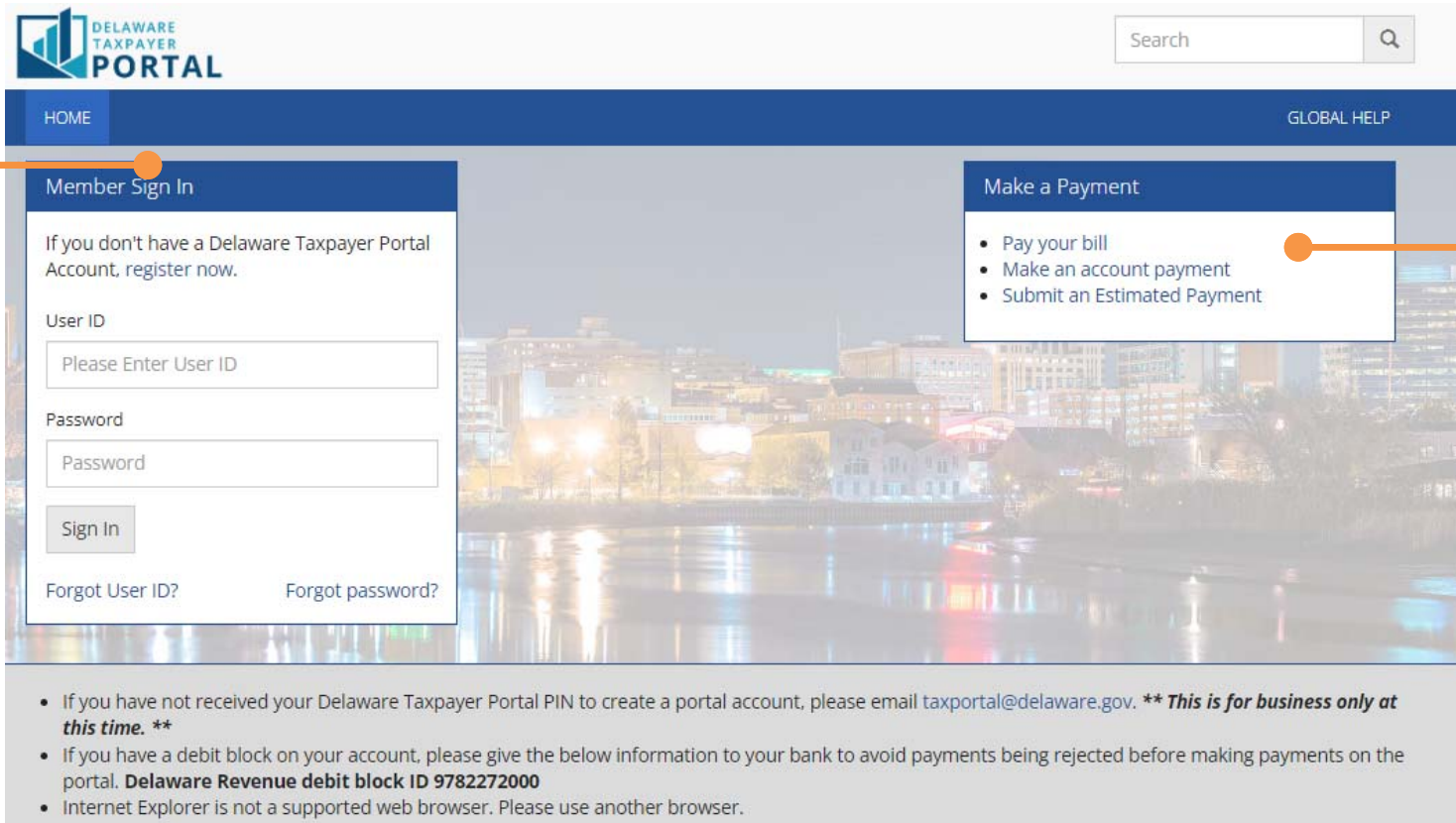
Release 2 – October 2022

- Personal Income Tax
- Estate Tax

Release 3 – In Progress

- Marijuana Tax
- Corporate Income Tax
- Pass-Through Entities
- Headquarters Management Corporations

Portal: Tax.Delaware.gov



The screenshot shows the Delaware Taxpayer Portal homepage. At the top left is the logo for the Delaware Taxpayer Portal. To the right is a search bar. Below the logo are navigation links for HOME and GLOBAL HELP. The main content area is divided into two primary sections: Member Sign In and Make a Payment. The Member Sign In section includes a heading, a registration prompt, input fields for User ID and Password, a Sign In button, and links for Forgot User ID? and Forgot password?. The Make a Payment section includes a heading and a list of three options: Pay your bill, Make an account payment, and Submit an Estimated Payment. At the bottom of the page, there are three bullet points providing additional information.

Member Sign In
sign into your account, reset password, or retrieve your forgotten user id

Make a Payment


- Pay your bill
- Make an account payment
- Submit an Estimated Payment

Payments
Easy access to make payments

- If you have not received your Delaware Taxpayer Portal PIN to create a portal account, please email taxportal@delaware.gov. **** This is for business only at this time. ****
- If you have a debit block on your account, please give the below information to your bank to avoid payments being rejected before making payments on the portal. **Delaware Revenue debit block ID 9782272000**
- Internet Explorer is not a supported web browser. Please use another browser.

Portal: Tax.Delaware.gov

Individuals
Easy access to items related to Individuals



Individuals

- File a Personal Income Tax Return
- Resume a Personal Income Tax Return
- DMV Tax Certification for Driving Privilege Card
- Submit an Estimated Payment


Extensions can be filed online only from January 16th to the due date (May 2nd, 2023)



Business

- Register now for a portal account
- Register your business

Corporate Income Tax Coming Fall 2023
Pass Through Entities Coming Fall 2023
Headquarters Management Coming Fall 2023




Payments

- Pay your
- Make an

Businesses
Easy access to items related for businesses

FAQs
Easy help that guides customers step-by-step




FAQ's - Help Documents

- How do I create a new user?
- How do I submit a Withholding Reconciliation Bulk Return?
- How do I link my portal account to my tax account(s)?
- What is a guest payment and how do I submit...



Individual Return Refund

- Where is my 2021 Individual Return Refund?



Contact Us

Please email any inquiries to taxportal@delaware.gov or call us at 302-577-8200

Menu
use the menu to make payments, file returns, view notices, renew licenses, and more!

Tax Account Info



Tax Account Information
click here to navigate to the financial information for each tax account

- HOME
- PROFILE ▾
- ACCOUNT ▾
- TRANSACTIONS ▾
- MESSAGES ▾
- REQUESTS ▾
- GLOBAL HELP
- LOG OUT

Welcome, Jason
You have **0** incomplete document(s)
You last logged in on **Thursday, 10/29/2020 04:00 PM**

User Profile Summary

Jason Woodcock
jwoodcock@mathtechinc.com
TU00000000302

Taxpayer Information

WOODCOCK INDUSTRIES
88 MAIN ST
WILMINGTON, DE 19807-3021
UNITED STATES

Select a Taxpayer

Taxpayer Information
click here to toggle between your delegated taxpayer accounts

Tax Accounts

Account Type	Account ID	Address	Last Activity Date	Current Balance	Last Period Filed
CIGARETTE STAMP TAX	DOR FILE NUMBER:x0126742-9	88 MAIN ST, WILMINGTON, DE 19807-3021 UNITED STATES	10/13/2020	\$1,333,332.37	10/12/2020
GROSS RECEIPTS TAX/ GROCERY SUPERMARKETS	DOR FILE NUMBER:x0126742-9	88 MAIN ST, WILMINGTON, DE 19807-3021 UNITED STATES	10/14/2020	\$5,138.78	06/30/2020
LIC GROCERY SUPERMARKETS	DOR FILE NUMBER:x0126742-9	88 MAIN ST, WILMINGTON, DE 19807-3021 UNITED STATES	09/24/2020	\$90.00	12/31/2020
LICENSE ACCOUNT	DOR FILE NUMBER:x0126742-9	88 MAIN ST, WILMINGTON, DE 19807-3021 UNITED STATES	09/24/2020	\$0.00	

Showing 1 to 4 of 4 entries

Outstanding Debts

Make Payment

Account Type	Account ID	Period End Date	Balance	Status
LIC GROCERY SUPERMARKETS	DOR FILE NUMBER:x0126742-9	12/31/2020	\$90.00	ACTIVE
CIGARETTE STAMP TAX	DOR FILE NUMBER:x0126742-9	10/09/2020	\$1,333,332.37	ACTIVE
GROSS RECEIPTS TAX/GROCERY SUPERMARKETS	DOR FILE NUMBER:x0126742-9	06/30/2020	\$2,554.80	ACTIVE
GROSS RECEIPTS TAX/GROCERY SUPERMARKETS	DOR FILE NUMBER:x0126742-9	07/31/2019	\$2,583.98	ACTIVE

Showing 1 to 4 of 4 entries

Account Summary

Account Functions
take account for the account – file a return, make a payment, view notices

Account Summary
review demographic information regarding the account

Search



- HOME
- PROFILE
- ACCOUNT
- TR
- REQUESTS
- GLOBAL HELP
- LOG OUT

ACCOUNT / VIEW TAX ACCOUNT SUMMARY

Account Summary

View or modify account information.

Account Details

Taxpayer Name	WOODCOCK INDUSTRIES	Effective Date	01/01/2002
Account Type	GROSS RECEIPTS TAX/ GROCERY SUPERMARKETS	End Date	
Account ID	DOR FILE NUMBER:x0126742-9	Registration Source	ITP
Account Status	OPEN		

Mailing Address

88 MAIN ST,
WILMINGTON, DE 19807-3021
UNITED STATES

Filing Periods

Period Start Date	Period End Date	Balance	Period Status	Return Filed
06/01/2020	06/30/2020	\$2,554.80	Underpaid	Filed
07/01/2019	07/31/2019	\$2,583.98	Underpaid	Filed

Showing 1 to 2 of 2 entries

Account Functions

- Account Management
- File Taxes
 - File a Form
 - View Account Filing History
- Make Payments
 - Make a Payment
- Document Management
 - View Correspondence History

SAMPLE

Filing Periods
review list of filing periods

Gross Receipts Changes
Personal Income Tax Forms
Nursing Facility Quality Assessment

File & Pay Online

Tax Return Instructions
provides one-click access to instructions for filing the return

Form Details
provides information about the form being filed and amount due

Enter Tax Return - Tabular Form

Please complete the tax return information requested in the tabs below. Click Submit to file the return. You may click Save at any time to save your changes and come back to this return later to complete it.

After completing your tax form, select the Calculate button. Before a return can be submitted, it needs to be calculated to confirm the information that you entered. After you have selected the Calculate button, select the Submit button. Once a return has been submitted, you cannot edit or delete the return. You must return to the File Form page found under Transactions on the top menu bar and select the return type of amended.

Tax Return Instructions
* Indicates required field

Return Header: WHTAX Return

WHTAXReturn

Please complete the input fields below.

Line #	Line Item		
1	Changes must be made on the request for change for check and if you are filing a change form	<input type="checkbox"/>	
2	Delaware Income Tax Withheld*	\$	123,245.00
3	Amount Remitted	\$	123,245.00

Buttons: Cancel, Back, Print, Save and Exit, Save and Continue, Calculate, Submit

DELAWARE TAXPAYER PORTAL

HOME PROFILE ACCOUNT TRANSACTIONS MESSAGES REQUESTS GLOBAL HELP LOG OUT

TRANSACTIONS / MAKE A PAYMENT

Form Payment

Form Details

* Indicates required field

Taxpayer Name	WOODCOCK INDUSTRIES	Period End Date	06/30/2020
Account	WITHHOLDING/FILING	Amount Due	\$155,288.72
Account ID	DOR FILE NUMBER:001268699	Return Confirmatio...	FR0000000362

Penalty and interest is calculated as of 04-Nov-2020.

Total Tax	\$123,245.00
Penalty Amount Due	\$29,578.80
Interest Amount Due	\$2,464.92
Total Amount Due	\$155,288.72

Please Note: Allow a minimum of 72 hours for this document to be processed before contacting the Department with any questions.

* Payment Amount: \$ Check to pay the total amount due

* Payment Method:

Buttons: Cancel, Next

Line Items
tabular structure provides easy section breakdown and line item entry

Realtime Options
save and return later, calculate return real-time, and submit for processing.

Payment Details
provides breakout of payment details and allows you to enter the information regarding amount and payment method

PIT – Wizard-style filing

Individual Income Tax Return

Progress 28%

* indicates required field

Your Additions - Section A

* Adjusted Gross Income: \$

Interest on state and local obligations other than Delaware: \$

Fiduciary adjustment, oil depletion: \$

Your Subtractions - Section B

Interest received on U.S. obligations: \$

Pension exclusion: ⓘ \$

Delaware state tax refund, fiduciary adjustment, work opportunity tax credit, Delaware NOL Carryforward, etc: ⓘ \$

Taxable Social Security benefits, Railroad Retirement Benefits, Higher Education Exclusion, Certain Lump Sum Distribution: \$

SAMPLE

More info...

Portal Help

- Portal PIN Letters are needed to register for the Portal and are sent when a new business license is issued
- PIT shared secret information (e.g., AGI, SSN, etc.) is required for portal account access
- Help guides are also available online under the FAQ for the new Portal
- DOR has an internal dedicated support team
- Terri Arndt (302-744-1096 or terri.Arndt@delaware.gov) is DOR's internal lead on portal issues

Portal URL:

<https://tax.Delaware.gov>

Ongoing Project Information and Updates:

<https://revenue.delaware.gov/info/modernization/>

2023 Tax Filing Season



- Refund times 10-12 weeks
- Refunds are not expected to be issued until February 15, 2024
- Improvements:
 - Customer Service
 - Fraud Scoring

2023 Tax Filing Season



Processing Delays

- Returns that do not use legal names (Initials or Middle Names)
- Married Filing Separate Returns without spouses Social Security numbers
- Large losses reported on Schedule C, E, or F
- S-Corp estimated payments claimed but S-Corp has not been filed with Division
- Review of Refundable Credits –exceeding normal thresholds
- Fire Fighter Credits – when Fire companies are delayed in reporting active members

Questions?

