



Department of  
**Revenue**

# 2018-2019 Annual Report

Tennessee Department of Revenue | Annual Report



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# I. Letter from the Commissioner

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We have had another busy and successful year at the Tennessee Department of Revenue. During fiscal year 2018-2019, we experienced a number of significant changes, both to our executive leadership team and to state tax law. I was honored to be reappointed as Revenue's commissioner by Governor Bill Lee and to welcome several new team members to key roles within the department.

Christine Lapps now serves as the department's deputy commissioner and will oversee our Audit, Taxpayer Services, Collection Services, and Vehicle Services divisions. Justin Moorhead, who previously held legislative and policy roles within the department, now serves as Chief of Staff. Previous Deputy Commissioner Barbara Sampson, who dedicated her entire career to public service, recently retired to spend time with her family.

Revenue added a third group of taxes to our new integrated tax system. We have just one final group of taxes to add before our system is fully in place in 2020. As the state's chief tax collection agency, the department ensures the collection of around 87 percent of the state's total revenue. Our new system helps to streamline the tax collection process, improve our service to Tennessee citizens, and ensure the consistent funding of important services that Tennesseans depend on, including roads, bridges, schools, health programs, public safety, and more.

As the Commissioner of the Department of Revenue, I can say that I am truly proud of this department and the service we provide to taxpayers across the state. We look forward to what fiscal year 2019-2020 has in store.

A handwritten signature in cursive script that reads "David Gerregano".

David Gerregano

## II. Mission, Vision and Values

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For a better understanding of what shapes the Department of Revenue's work, read about our mission, vision and values.

### ***Our Mission:***

The mission of the Department of Revenue is to fund public services through tax compliance and motor vehicle registration by providing education, fair enforcement, and excellent customer service.

### ***Our Vision:***

Our vision is to achieve the highest level of employee engagement and efficiency in revenue collection using forward-thinking leadership and innovative systems.

### ***Our Core Values:***

- **Integrity:** We are honest and ethical.
- **Respect:** We honor different perspectives and treat people with courtesy.
- **Responsiveness:** We react timely and positively to customers and co-workers.
- **Collaboration:** We work together to creatively solve problems and achieve shared goals.
- **Accountability:** We take responsibility for our actions.
- **Professionalism:** We perform to the highest standards of conduct.

### III. About the Department

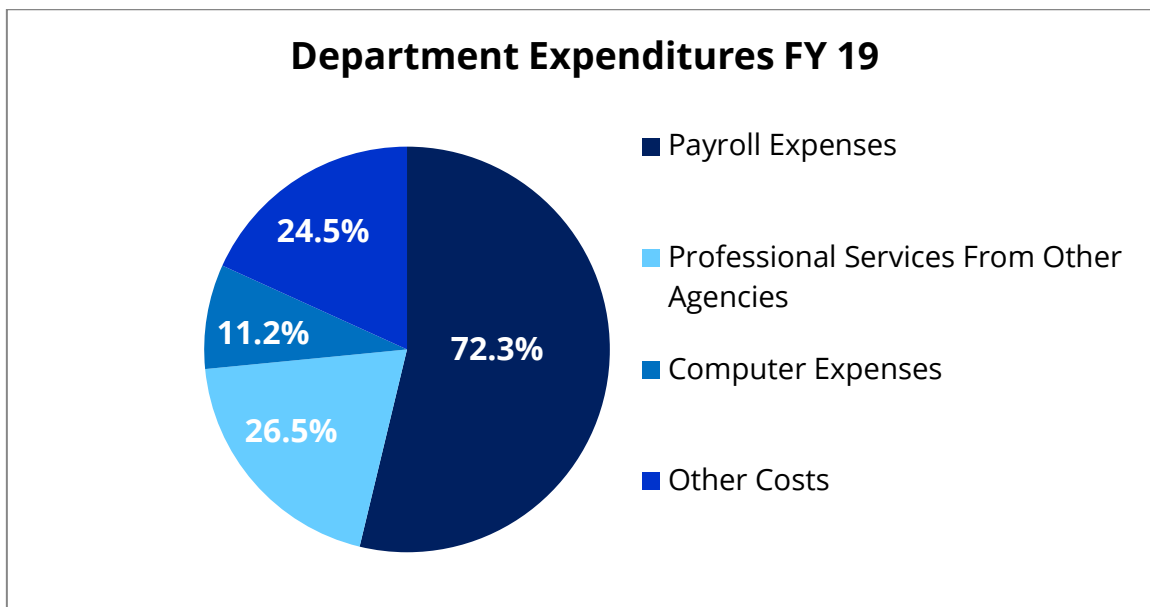
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The Tennessee Department of Revenue serves as the state's primary tax collection agency, administering more than 25 different taxes and fees. In addition to tax collection and enforcement, the department is responsible for administering Tennessee's motor vehicle registration and title laws.

During the 2018-2019 fiscal year, the department collected \$15.4 billion in state taxes and fees. The department also collected more than \$2.8 billion in taxes for local, county, and municipal governments.

The Department of Revenue has an annual budget of approximately \$134.5 million. About 25% of the department's budget comes from fees for services provided to local governments. 75% derives from state appropriations. The department receives very little federal funding.

The department's expenditures break down as follows (see chart below):

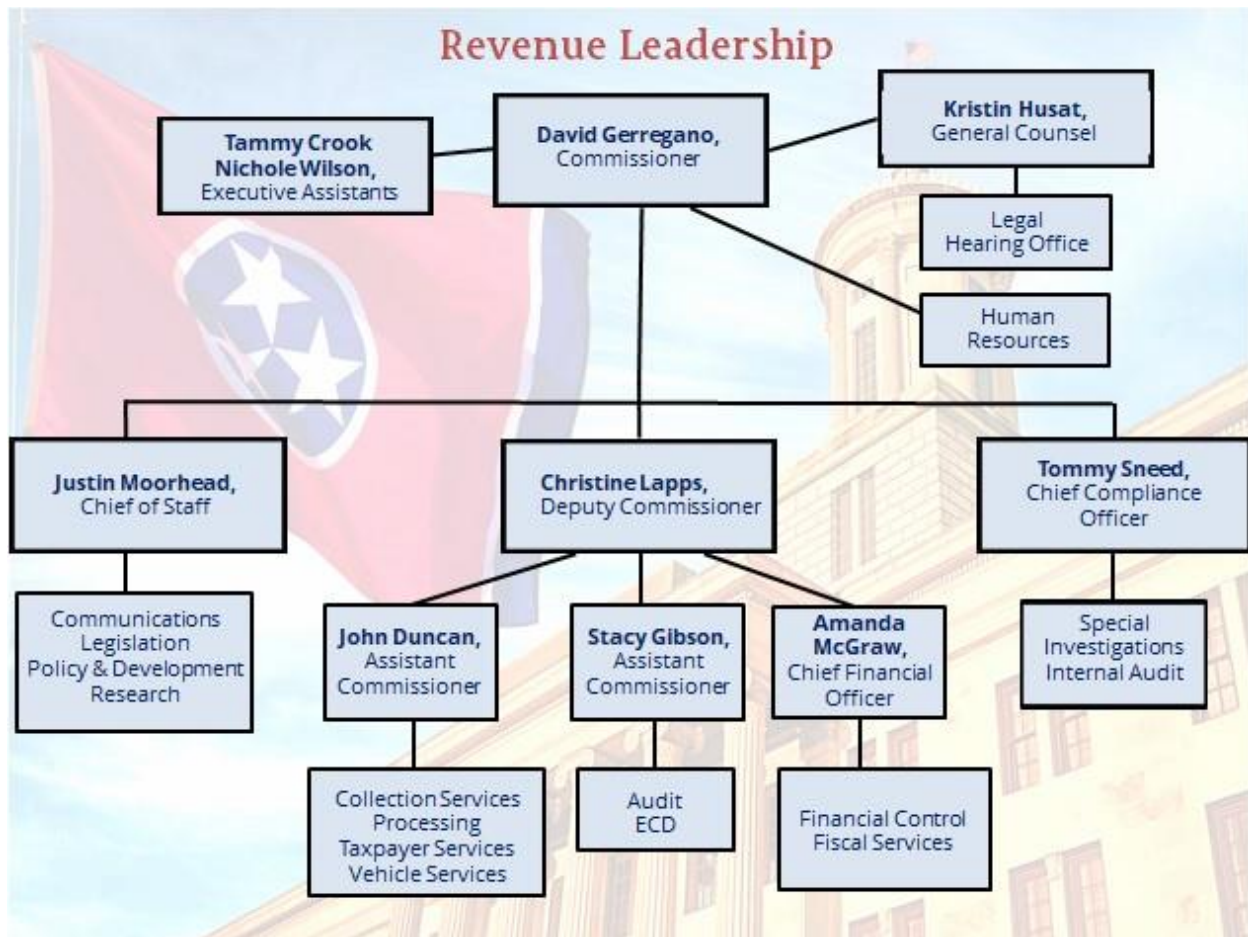


***The Department's functions include:***

- Collection and apportionment of \$18.2 billion in revenues annually
- Administration of Tennessee's motor vehicle title and registration laws
- Promotion of voluntary compliance with Tennessee tax laws through taxpayer education and customer service
- Fair and practical administration of tax policy
- Compliance-focused audits of taxpayers across all tax types
- Collection of delinquent tax revenues, with a focus on promoting voluntary tax compliance
- Tobacco regulation and diligent enforcement (in conjunction with the Attorney General's Office)
- Investigation of criminal tax fraud cases and assisting district attorneys with criminal tax fraud prosecutions
- Motor vehicle anti-theft inspections and investigations
- Administration of Tennessee's motor vehicle insurance verification law
- Lockbox services for other state agencies

## IV. Organization of the Department

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To learn more about Revenue's executive leadership team, [read their biographies here](#).

## V. Divisions

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More than 850 people work for the Department of Revenue to:

- educate and assist taxpayers,
- administer the state's motor vehicle title and registration laws,
- conduct tax research and economic analysis,
- enforce tax laws fairly and consistently, and
- process returns and other documentation.

Read more about each one of Revenue's divisions and what they do:

**Administration Division:** The Administration Division includes the Communications, Legislation, Policy, Financial Control/Fiscal, Hearing, Human Resources, Internal Audit, Legal, Research, and Special Investigations offices:

**Communications:** The Communications Office creates and executes the department's communication's strategy. This includes press releases, media inquiries, social media, video content, website information and written information mailed to taxpayers.

**Financial Control/Fiscal:** This office coordinates the department's fiscal functions, including allocating tax revenues to local governments. The office develops and administers an annual budget, risk assessments, ensures appropriate segregation of duties, and monitors cash flow.

**Hearing:** The Hearing Office works with taxpayers through informal conferences to resolve disputes about tax assessments and tax refund claim denials. Hearing Office personnel are required to exercise independent judgment and to render decisions on individual issues based on the facts and the law.

**Human Resources:** The Human Resources Office serves as a resource to employees and management regarding policy and procedural interpretations. This office serves



as a liaison with Department of Human Resources related transactions, compensation, payroll, benefits and employee relation issues.

**Internal Audit:** The Internal Audit Office conducts operational and financial audits to ensure compliance with federal, state and departmental regulations, as well as testing and consulting services regarding the safeguard of state and federal tax information.

**Legal:** The Legal Office is a team of attorneys who handle more than 75 tax litigation cases a year, draft tax rulings and legislation, and provide legal counsel on all matters involving the department. The office ensures the state's best interests are protected while providing a high level of customer service.

**Legislation:** This office coordinates the department's legislative affairs and serves as a liaison between the Governor's Office and the General Assembly. The legislative team reviews and analyzes proposed legislation, communicates the effect of proposed legislation to members of the General Assembly, facilitates the communication of the department's initiatives and resolves constituent issues.

**Tax Policy:** The Tax Policy Office reviews and analyzes legislation, regulations, rulings, website publications and tax forms to determine any impact changes may have on taxpayers and the department. The policy team is responsible for research of complex tax issues and is the primary producer of important notices the department issues to provide guidance to taxpayers.

**Research:** This division conducts tax research and economic analysis to assist decision makers in other areas of state and local government. The Research division estimates potential revenue impacts of proposed legislation, helps develop state tax revenue forecasts, and evaluates comparative tax policies to determine fiscal effects.

**Special Investigations:** Revenue's Special Investigations (SI) Division's primary mission is to investigate internal and external attempts to corrupt tax administration;

vehicle salvage and rebuilt titling schemes; civil and criminal violations relating to key tax commodities; and workplace harassment.

**Audit Division:** The Audit division is the largest division in the Department of Revenue with more than 350 employees. There are eight field offices across Tennessee and six offices in cities across the United States. Employees perform field and office audits of all tax types and process refund claims and penalty waiver applications. The division reviews taxpayer records to determine compliance with state tax laws and educates taxpayers about tax requirements.

**Collection Services Division:** This division is charged with recovering taxes that are due but have not been remitted to the state. Employees work directly with delinquent businesses and individuals to collect overdue taxes and protect against efforts to avoid payment. The division may serve levies, seize and sell assets, as well as file a tax lien to protect Tennesseans' best interests. When a taxpayer is unable to pay their tax bill or needs more time to pay in full, this division can offer payment plans and negotiate compromise offers.

**Processing:** This division processes tax returns and payments, updates taxpayer accounts, and performs lockbox services for three other state agencies.

**Project TR<sup>3</sup>:** The Project TR<sup>3</sup> team is responsible for ensuring the department's new tax system meets its business and information technology needs. This division is a mix of state employees and vendor consultants. The new tax system rolls out in four phases, with each phase covering a group of taxes. The first phase launched on March 5, 2017. The project will be completed by spring 2020.

**Taxpayer Services Division:** The Taxpayer Services division is the customer service arm of the department. This division focuses on answering taxpayer questions, educating taxpayers to improve compliance, as well as taxpayer registration, call center operations, and processing exemption applications. There are several taxpayer education opportunities held each year, including seminars and webinars.



**Vehicle Services Division:** The Vehicle Services division provides motor vehicle title and registration services to passenger and commercial motor vehicles, motorcycles, ATVs, trailers, and mobile homes. Vehicle Services works in coordination with 95 county clerks across the state on vehicle title and registration matters.

## VI. 2018-2019 Year in Review

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### ***Post-Wayfair Sales Tax Collection Update***

*Department Requires Certain Out-of-State Dealers to Remit Sales Tax*



During summer 2018, the United States Supreme Court issued its *South Dakota v. Wayfair, Inc.* decision, which overturned a decades old physical presence rule that previously applied for state sales tax collection under *Quill v. North Dakota*. The decision fundamentally altered the way states were able to collect sales tax from out-of-state dealers. Prior to *Wayfair*, a state could not require an out-of-state dealer to collect its sales tax unless the dealer had a physical presence in the taxing state. After *Wayfair*, the physical presence rule no longer applies.

In 2019, the Tennessee General Assembly approved the Department of Revenue's economic nexus rule, Rule 129(2), which requires an out-of-state dealer with sales of more than \$500,000 to Tennessee customers to register and remit sales tax in this state. The rule took effect July 1, 2019. However, the Department began requiring out-of-state dealers who met the sales threshold to register and remit Tennessee sales tax by October 1, 2019.

Additionally, for sales occurring on or after October 1, 2019, out-of-state dealers who collect and remit Tennessee sales and use tax must report their sales based on the shipped to or delivered to address of the customer. Out-of-state dealers should no longer use the uniform local rate



option of 2.25%. Instead, they should apply the specific local sales tax rate in effect for the city or county jurisdiction.

For more information about sales tax collection guidance post-*Wayfair*, see important notices #19-04 and #19-05, posted to the department's website.

## ***Leadership Updates***

### ***Governor Lee Reappoints Commissioner Gerregano; Deputy Commissioner Barbara Sampson Retires***

Commissioner David Gerregano continues to serve as the Department of Revenue's Commissioner under Governor Bill Lee's administration. Governor Lee named Gerregano as Revenue's commissioner in an announcement on January 3, 2019.



Gerregano, a native of Gainesboro, has worked for the Department for 21 years. Since starting with Revenue in 1997 as tax counsel, he has held key positions such as administrative hearing officer, general counsel, and assistant commissioner. Gerregano currently serves on the Federation of Tax Administrators Board of Trustees and previously served as president of the Southeastern Association of Tax Administrators.

While Gerregano remained as Revenue's commissioner, Deputy Commissioner Barbara Sampson retired in June 2019 to spend more time with her family. Sampson started working in 1982 for the Department, where she spent her entire working career. Prior to becoming the first

female deputy commissioner in departmental history, Sampson served in numerous audit and executive positions.



Sampson

The department's new deputy commissioner, Christine Lapps, started in April 2019, serving alongside Sampson for a two-month period. Lapps came to the department after working for 12 years in state and local taxation at Ernst & Young (EY). Prior to EY, Lapps worked at the department in its Legal and Administrative Hearing Offices. In addition, Lapps was previously a litigator in the Attorney General's Office, arguing cases as high as the Tennessee Supreme Court.



Lapps

## ***Successful Third Rollout of Taxes in TNTAP***

The Department of Revenue successfully added a third group of taxes to our tax filing website, TNTAP, in May 2019. These taxes included:

- Alcoholic beverage taxes
- Beer taxes
- Gross receipts taxes
- Severance taxes
- Unauthorized substances
- Motor oil, tire, and solid waste management fees

Adding these taxes to TNTAP allowed taxpayers to file this group of taxes online for the first time.

The Department has already successfully added to two other groups of taxes to TNTAP over the past two years. Our fourth and final group of taxes will be added to TNTAP in spring 2020.

TNTAP, or the Tennessee Taxpayer Access Point, is the website that allows taxpayers to electronically file tax returns, gain access to their tax accounts, and to perform a variety of tasks such as the ability to access and edit account information. To learn more about TNTAP, visit [www.tntapinfo.com](http://www.tntapinfo.com).



## ***Revenue Offers New Online Tax Workshops for Business Owners***

In an effort to provide more online tools for Tennessee business owners, the Department of Revenue added four online tax workshop classes to its website.

These online tax workshops are designed to provide business owners with a general overview of major Tennessee taxes and filing requirements. Business owners may watch a webinar in its entirety or just a portion of it by clicking on individual chapters. Tax workshops are available for the following taxes:

- Business tax
- Franchise and excise tax
- Liquor-by-the-drink tax
- Sales and use tax

For more information, visit Revenue's website, and click on the Taxpayer Education button.





## ***2019 Tax Season Accomplishments***

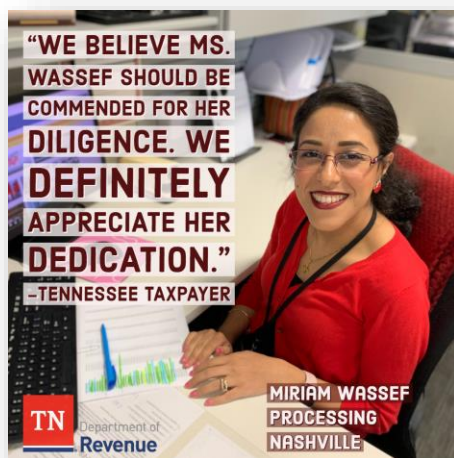
The Department of Revenue had another busy and successful 2019 tax season. Here are some of the many accomplishments of Revenue employees during the 2019 tax season, all with a priority to provide excellent customer service:

- During FY 18-19, Taxpayer Services call centers handled 406,166 calls and solved 93,552 online help tickets.
- The Revenue Processing Division worked with more than 1,800 walk-in customers throughout the month of April.
- 10 percent of all Revenue tax mail arrived in April.
- More than 170,000 paper tax returns were received and processed in 2019.



## **#TNRevenue Customer Service Kudos Campaign Highlights** **Excellent Assistance**

Customer service is critically important in what the Department of Revenue does in serving fellow Tennesseans every day. Through social media using the hashtag #TNRevenue, the department shares taxpayer quotes expressing gratitude toward our employees. We highlight the positive connection citizens build with state employees.



## ***Business Tax Workshops Reach Taxpayers in Rural Counties***

During the spring of 2019, the Taxpayer Services Division hosted a series of business tax workshops in Tennessee's primarily rural counties. In these areas, some citizens have difficulty accessing a computer to file their taxes online. It's a pleasure to reach taxpayers where they reside and guide them step-by-step through the filing process.



*Our department began rural business tax workshops in 2019, including this event in Scott County; we're eager to continue assisting taxpayers where they live and work.*

## ***Vehicle Title & Registration: Most Popular Specialty Plates***

Below is information about each of the 10 most popular license plates for fiscal year 2019. Specialty plates require a \$61.50 annual fee; \$35 of that fee is allocated to the Tennessee Arts Commission, the plate's respective beneficiary, and the Highway Fund.

### **1. Friends of the Smokies**



**16,859 total plates**  
**\$574,270.80 to beneficiary**

### **2. American Eagle Foundation**



**14,065 total plates**  
**\$241,639.75 to beneficiary**



### 3. Agriculture



**13,549 total plates**  
**\$465,719.40 to beneficiary**

### 4. Fish & Wildlife Species



**12,252 total plates**  
**\$210,893.40 to beneficiary**

**5. Friends of Sycamore  
Shoals Historic Area, Inc.**



**11,852 total plates**  
**\$197,310.80 to beneficiary**

**6. Driving to a Cure  
(Breast Cancer Awareness)**



**9,821 total plates**  
**\$168,836.75 to beneficiary**



## 7. St. Jude Children's Research Hospital



9,700 total plates  
\$331,710.30 to beneficiary

## 8. Animal Friendly



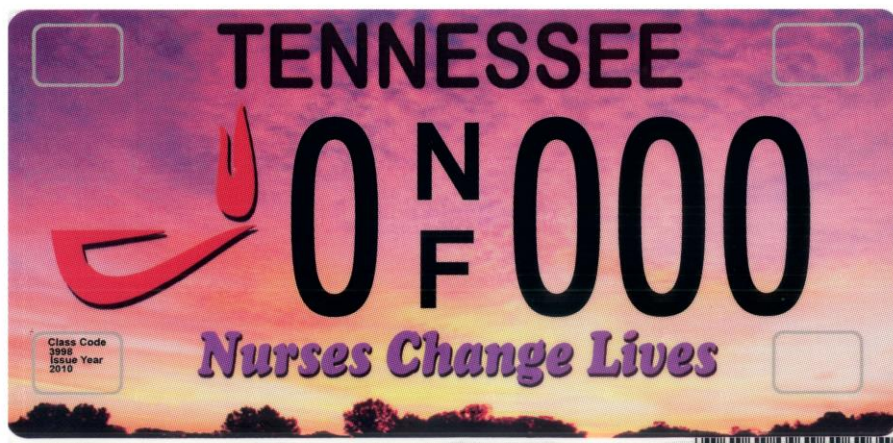
8,287 total plates  
\$143,392.75 to beneficiary

## 9. Choose Life



**6,563 total plates**  
**\$113,363.45 to beneficiary**

## 10. Tennessee Nurses Foundation



**6,428 total plates**  
**\$110,237.15 to beneficiary**



## VII. 2019 Legislative Changes of Note

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Each year, the General Assembly approves a number of bills that impact both the Department of Revenue and taxpayers across the state. Below are a few legislative changes to Tennessee tax law that happened in 2019. You may read a full list of legislative summaries from the 2019 General Assembly on the department's website under the Tax Resources heading.



### **Collection of Online Sales Tax**

[Public Chapter 429](#) authorizes the Department of Revenue to begin enforcing Sales and Use Tax Rule 129(2) to collect sales tax from out-of-state dealers with no physical presence in Tennessee who make sales of \$500,000 or greater within the last 12 months to Tennessee customers. Effective date is July 1, 2019.

### **Local Sales Tax Reporting by Out-of-State Dealers**

[Public Chapter 491](#) provides that out-of-state dealers who collect and remit Tennessee sales and use tax must report their sales based on the shipped to or delivered to address of the customer. Out-of-state dealers will no longer be able to use the uniform local rate option of 2.25%. Instead, out-of-state dealers must apply the specific local sales tax rate in effect for the city or county jurisdiction into which the sale was shipped or delivered. Effective date is October 1, 2019.



### **Physical Fitness Facilities Exemption**

[Public Chapter 159](#) exempts from amusement tax dues, fees, or other charges paid to any person principally engaged in offering services or facilities for the development or preservation of physical fitness through exercise or other active physical fitness conditioning.

This exemption will apply to services and facilities such as gyms, fitness centers, fitness studios, high intensity interval training, cross training, ballet barre, Pilates, yoga, spin classes, aerobics classes, and other substantially similar services and facilities that principally provide for exercise or other active physical fitness conditioning. Effective date is July 1, 2019.



### **Car Wash Exemption**

[Public Chapter 162](#) exempts from state and local sales tax any services rendered by a car wash facility, coin-operated or otherwise, where the customer remains in custody of the vehicle and the preponderance of the vehicle's wash is completed by the customer or automated equipment. Effective date is April 18, 2019.



### **Agricultural Trailer Exemption**

[Public Chapter 178](#) extends the existing sales tax exemption for trailers used to transport livestock to include trailers used to transport farm products, nursery stock, or equipment, supplies or products used in agriculture, or for other agricultural purposes relating to the operation and maintenance of a farm. Effective date is July 1, 2019.

### **Agricultural Water Exemption**

[Public Chapter 427](#) creates a sales and use tax exemption for water furnished by a utility district and used exclusively in a farming operation. Effective date is July 1, 2019

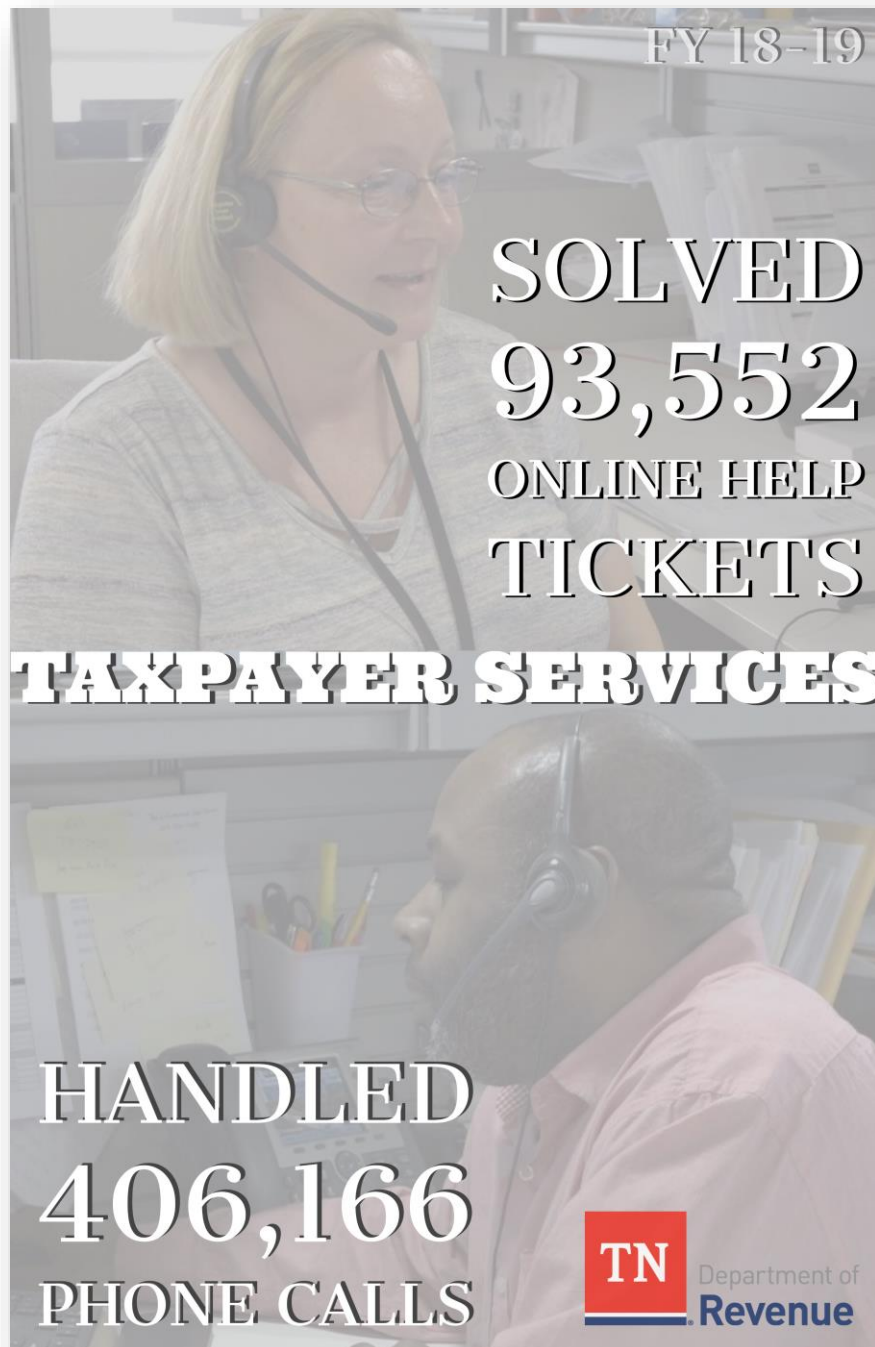
## VII. Annual Accomplishments

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FY 18-19

**COLLECTION SERVICES  
IMPLEMENTED**

**FULL STATE-WIDE  
ALTERNATIVE WORKPLACE  
SOLUTIONS (AWS).**

**IMPROVED  
PRODUCTIVITY**

**30% INCREASE  
IN PHONE CALLS  
AND EMAILS TO  
TAXPAYERS.**

**SAVED AN  
AVERAGE OF  
4 HOURS  
IN WEEKLY  
COMMUTE TIME.**

**TN** Department of  
**Revenue**



## IX. Tax Data

The Department of Revenue collects more than 25 state taxes and fees. The following table provides a breakdown of those collections. Some totals may differ due to rounding.

### State Revenue Sources:

Tax Class	FY18 Collections	FY19 Collections	% Change
Sales and Use	\$8,887,634,971	\$9,410,923,548	5.89%
Franchise & Excise	\$2,564,212,143	\$2,728,402,818	6.40%
Fuel Taxes <sup>1</sup>	\$1,086,694,220	\$1,167,126,504	7.40%
Privilege	\$421,266,237	\$433,551,581	2.92%
TVA	\$343,047,814	\$358,670,752	4.55%
Motor Vehicle Taxes <sup>2</sup>	\$353,349,076	\$365,555,814	3.45%
Alcohol & Tobacco Taxes <sup>3</sup>	\$452,248,559	\$469,715,373	3.86%
Hall Income Tax	\$246,508,338	\$201,900,526	-18.10%
Business	\$185,166,047	\$205,093,815	10.76%
Other <sup>4</sup>	\$27,023,229	\$30,985,477	14.66%
<b>Total</b>	<b>\$14,567,150,634</b>	<b>\$15,371,926,208</b>	<b>5.52%</b>

<sup>1</sup>Gasoline, Motor Fuel, Petroleum Special

<sup>2</sup>Motor Vehicle Registration, Motor Vehicle Title

<sup>3</sup>Tobacco, Mixed Drink, Alcoholic Beverage, Beer

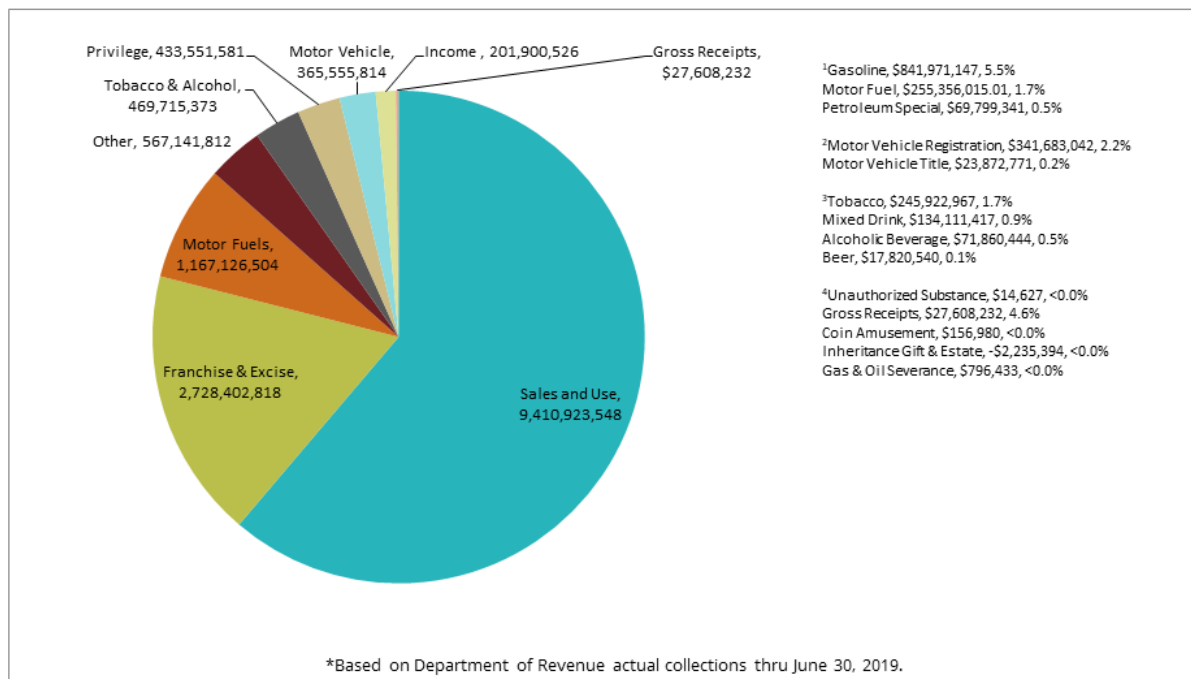
<sup>4</sup>Unauthorized Substance, Gross Receipts, Coin Amusement, Inheritance Gift & Estate, Gas & Oil Severance

### Local Revenue Sources:

Tax Class	FY18 Collections	FY19 Collections	% Change
Local Sales Tax	\$2,644,048,246	\$2,831,260,970	7.08%
Local Business Tax	\$212,986,967	\$220,885,833	3.71%
Local Business Tax Fees	\$21,802,049	\$23,486,604	7.73%
Mineral Tax	\$5,887,811	\$6,147,346	4.42%
Coal Severance	\$324,201	\$227,732	-29.76%
<b>Total</b>	<b>\$2,885,049,275</b>	<b>\$3,082,008,486</b>	<b>6.83%</b>

## Breakdown of State Revenue Sources:

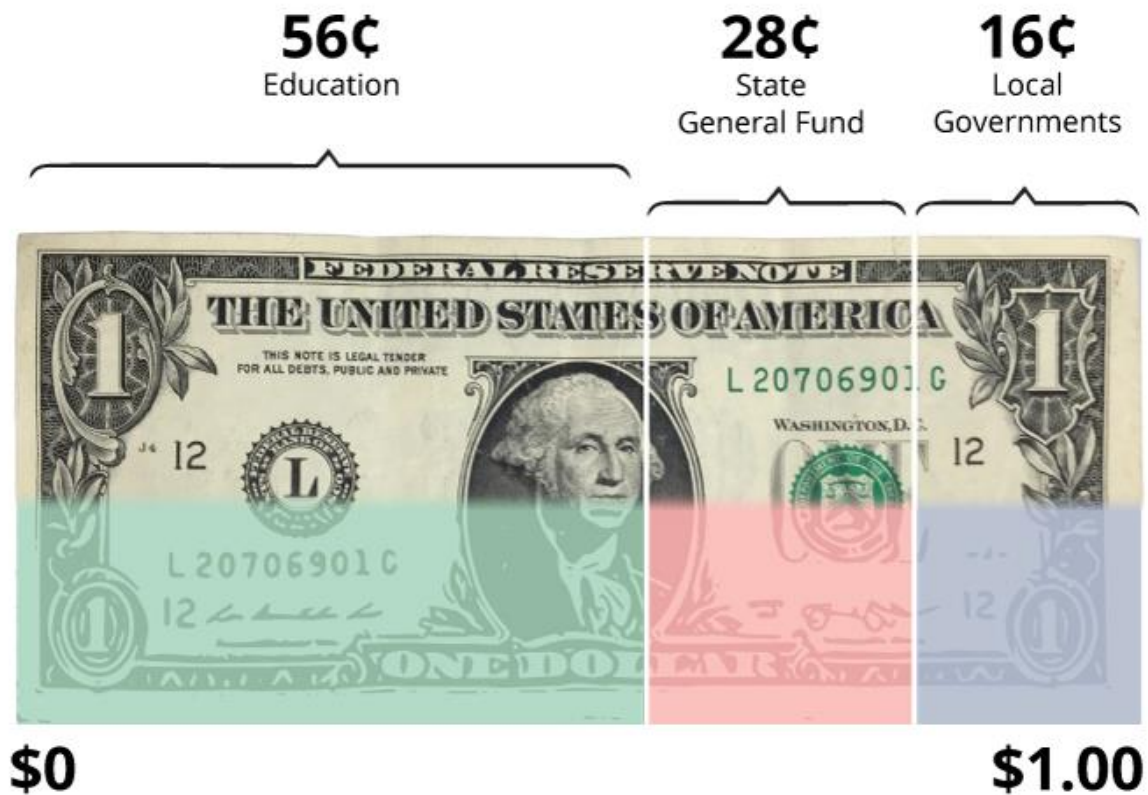
### Revenue by Source - FY 2019



- **Two taxes (sales and use tax and franchise and excise tax)** account for more than 78% of total collections
- Tennessee's **top five tax types** account for more than 90% of total collections.

## *Where the Money Goes*

### How Each Sales Tax dollar is spent:



\*Education portion includes state sales tax and local sales tax collections combined.

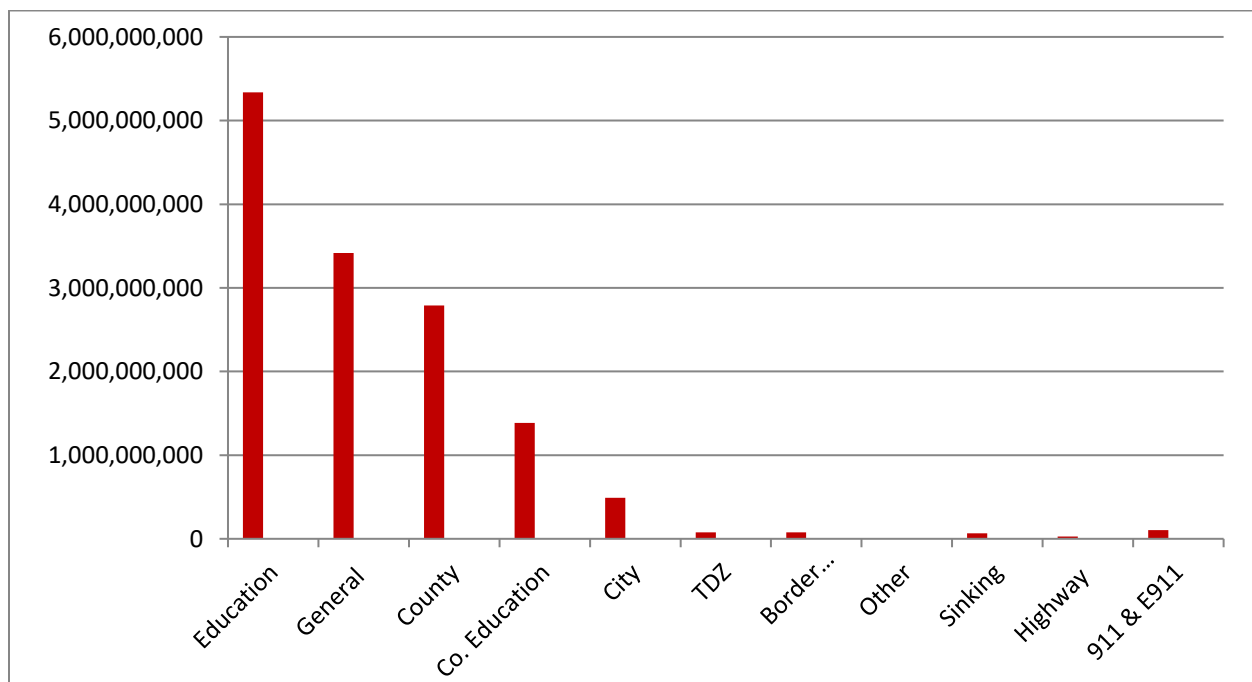
## *Here's a Breakdown of How Money Is Allocated for Each Tax*

\*Totals may differ due to rounding

### **Sales and Use Tax:**

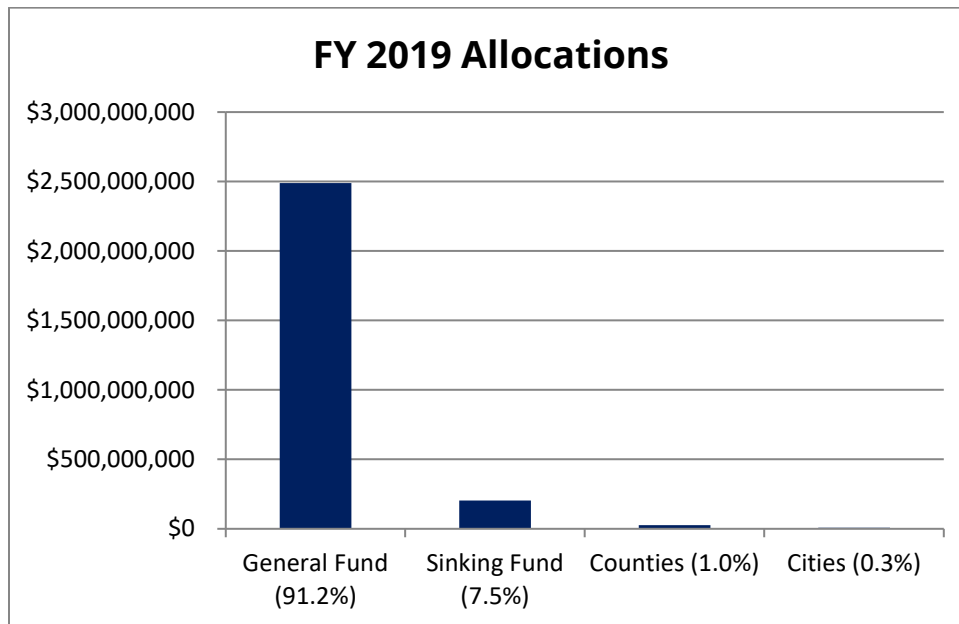
#### **FY 2019 State and Local Allocations**

<b>Fund</b>	<b>Allocation</b>
Education	\$5,338,902,652
General	\$3,417,675,973
Local:	
County	\$2,787,613,267
Education	\$1,386,068,538.54
City	\$491,948,730
Tourist Development Zone	\$78,595,813
Border Region TDZ	\$9,254,934
Other	\$946,374.77
Sinking Fund	\$65,729,028
Highway Fund	\$27,614,601
911 & E911	\$105,652,433
<b>Total:</b>	<b>\$12,323,933,805</b>



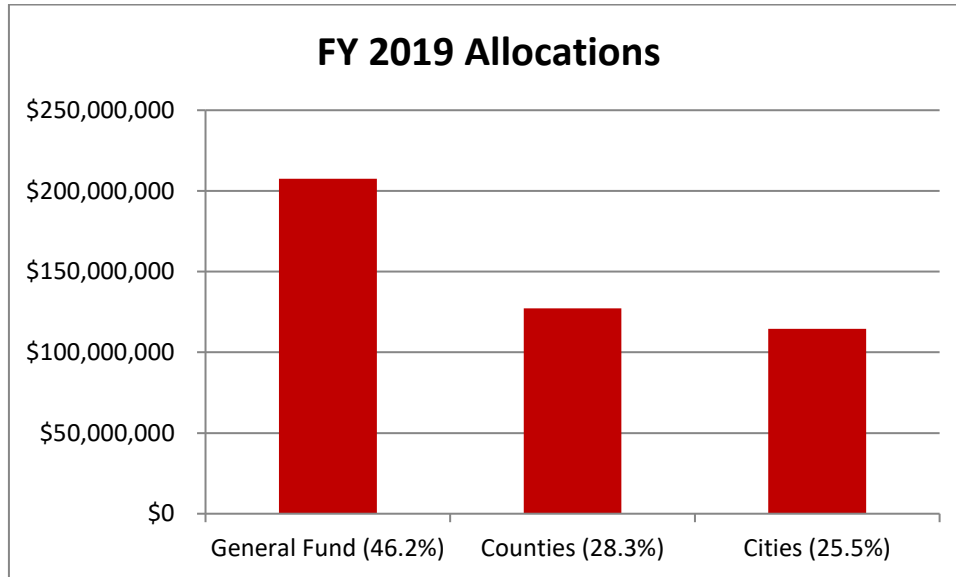


## Franchise and Excise Tax:



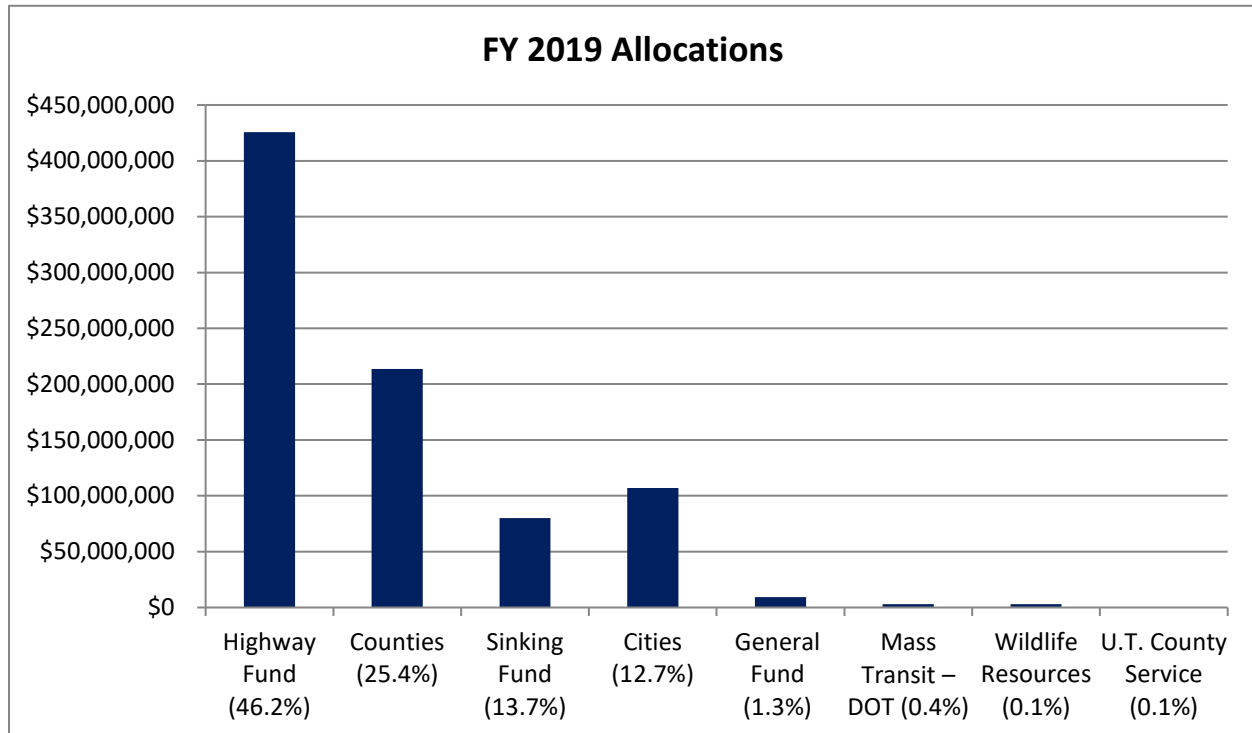
Fund	Allocation
General Fund	\$2,489,524,647
Sinking Fund	\$203,584,600
Counties	\$26,937,720
Cities	\$8,355,851
<b>Total: \$2,728,402,818</b>	

## **Business Tax:**



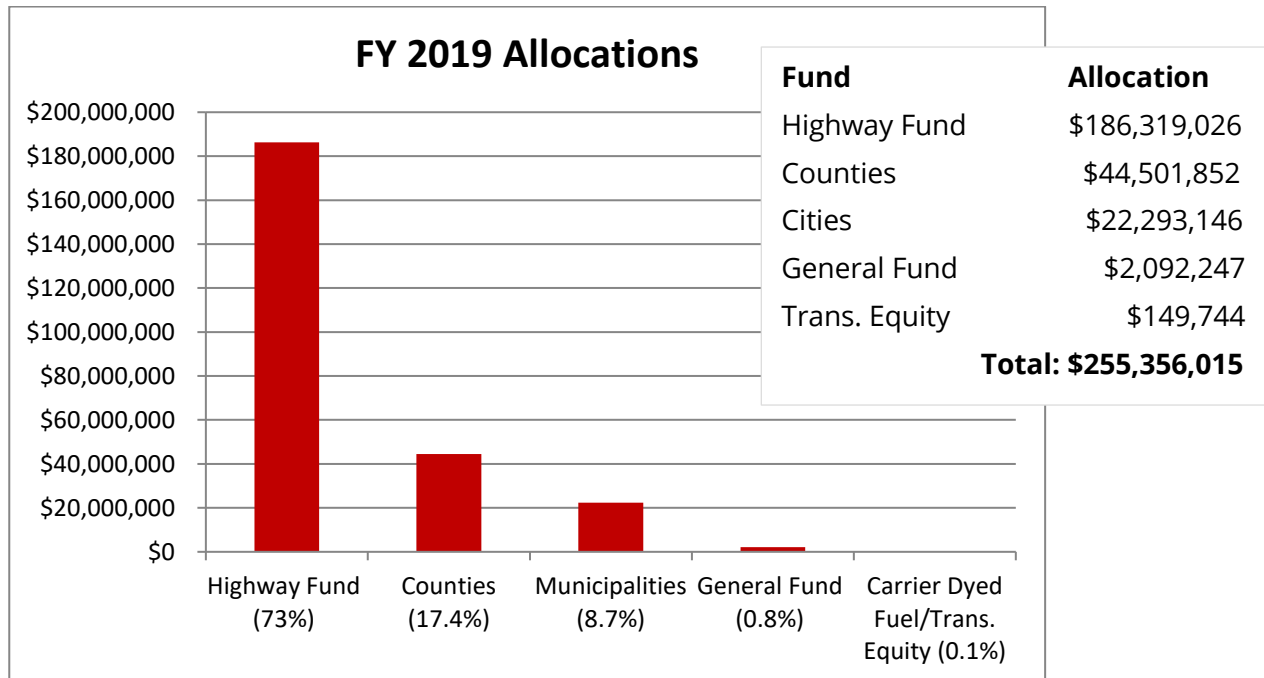
Fund	Allocation
General Fund	\$207,578,891
Counties	\$127,267,448
Cities	\$114,619,914
<b>Total: \$449,466,252</b>	

## Gasoline Tax:

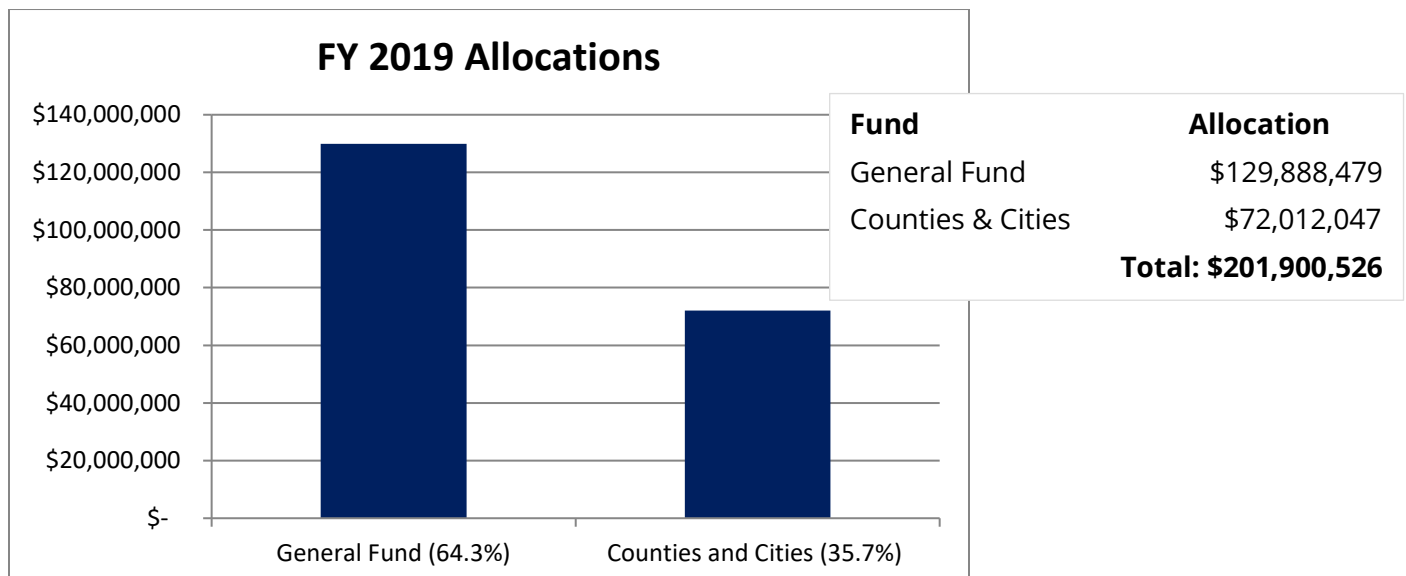


Fund	Allocation
Highway	\$425,776,007
Counties	\$213,508,278
Sinking	\$80,200,000
Cities	\$107,065,053
General	\$9,253,388
Mass Transit	\$2,940,000
Wildlife Resources	\$2,889,421
U.T. County Service	\$339,000
<b>Total: \$841,971,147</b>	

## Motor Fuel Taxes:



## Hall Income Tax:



### **Privilege Tax:**

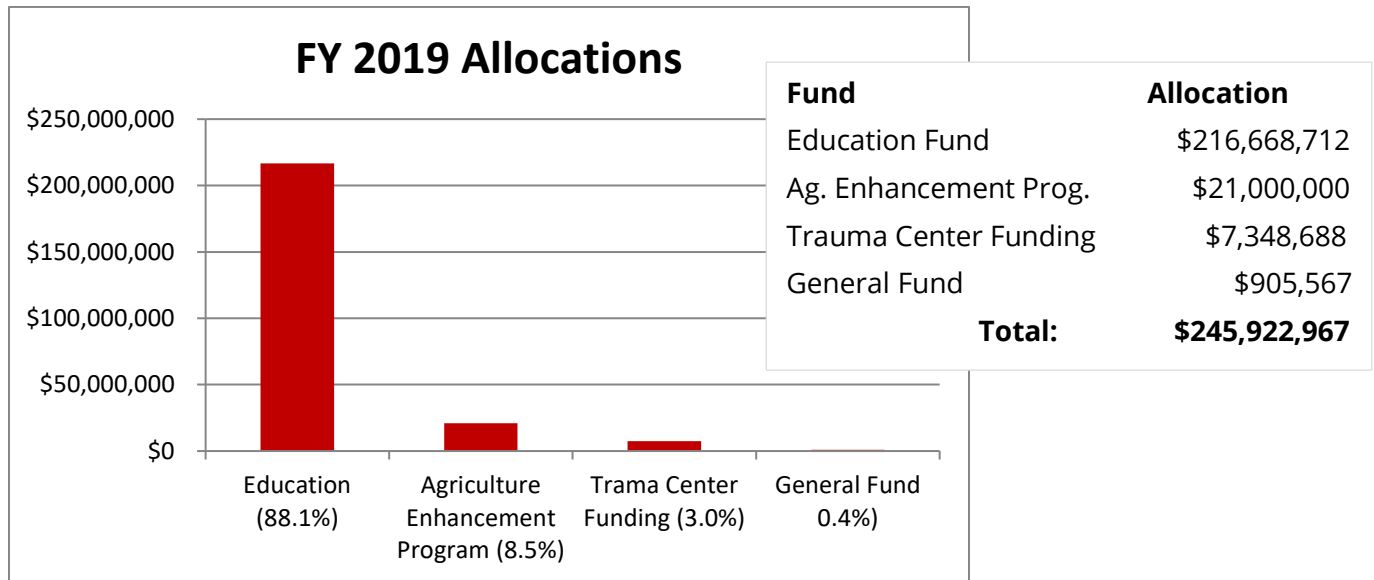
<b>Litigation Fees and Tax</b>	<b>\$14,231,363</b>
TBI Drug Chemistry Unit Drug Testing Fund	\$3,608,209
TBI Toxicology Unit Intoxicant Testing Fund	\$2,553,830
General Fund	\$1,607,495
General Fund for TBI	\$1,411,680
Dept. of Health Alcohol and Drug Treatment Fund	\$1,489,216
Dept. of Health Drug Treatment Program	\$1,047,360
Critical Injury Compensation	\$834,975
Victim Notification Fund	\$758,686
Municipal Training Education	\$376,150
Judicial Commissioners Association of TN for Education	\$321,563
Drug Court Resources Fund	\$107,492
Sexual Assault Program	\$61,201
Family Violence Shelters	\$25,734
Traumatic Brain Injury Program	\$9,477
Veteran Drug Court	\$17,336
Domestic Violence Fund	\$959

### **Privilege Tax:**

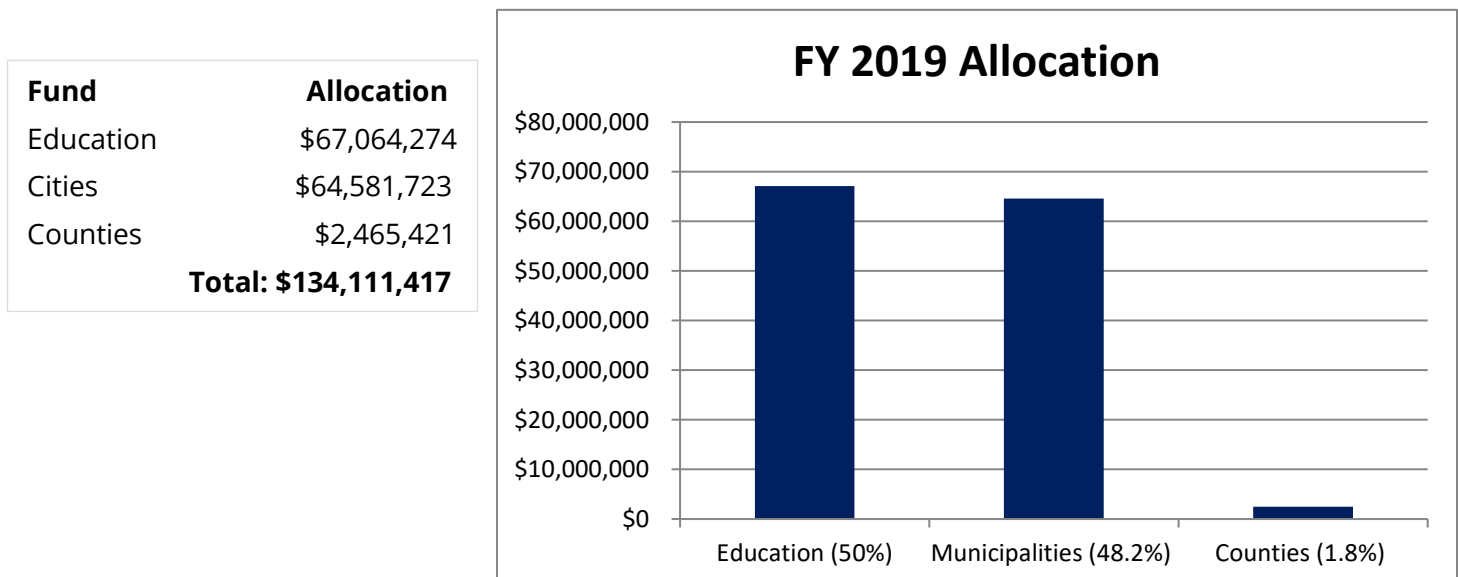
<b>Professional Privilege Tax</b>	<b>\$101,538,039</b>
General Fund	\$101,538,039
<b>Marriage License Fee</b>	<b>\$2,942,992</b>
General Fund	\$778,789
Tennessee Disability Coalition	\$739,508
Child Abuse Prevention	\$541,051
Domestic Violence Services	\$270,525
Parenting Fund	\$252,562
Tennessee Alliance of Boys & Girls Clubs	\$144,352
TN Chapter of the National Association of Social Workers	\$108,210
Weems Academy for Foster Care Children	\$62,978
Tennessee Court Appointed Special Advocates Assoc. (CASA)	\$45,015
<b>Bail Bond Tax</b>	<b>\$1,576,632</b>
Civil Legal Representation Fund	\$1,513,567
Bail Bonds Continuing Education Class	\$63,065
<b>Realty Taxes</b>	<b>\$265,319,213</b>
General Fund	\$185,428,501
Housing	\$39,365,767
Wetlands	\$16,463,270
Local Park Land	\$8,864,828
Stand Land Acquisition	\$7,598,424
Agriculture Resources Conservation	\$7,598,424
<b>Tire and Used Oil Taxes</b>	<b>\$20,808,960</b>
General Fund	\$11,651,143
County Tire Payments	\$5,623,054
Solid Waste Management ECD Tire	\$1,477,026
Tire Environmental Fund	\$1,190,269
Used Oil Collection Fund	\$867,468
<b>Fantasy Sport Tax</b>	<b>\$333,292</b>
General Fund	\$233,304
Counties	\$66,658
Fantasy Sports Fund	\$33,329



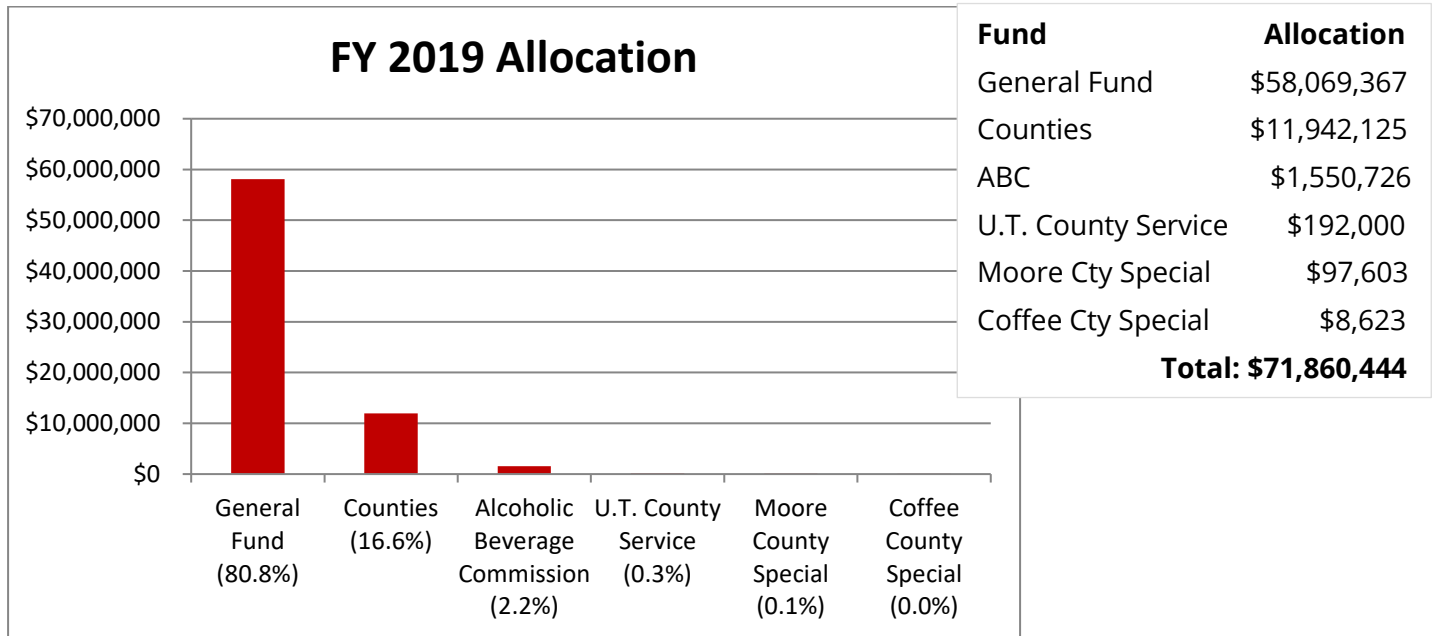
### Tobacco Tax:



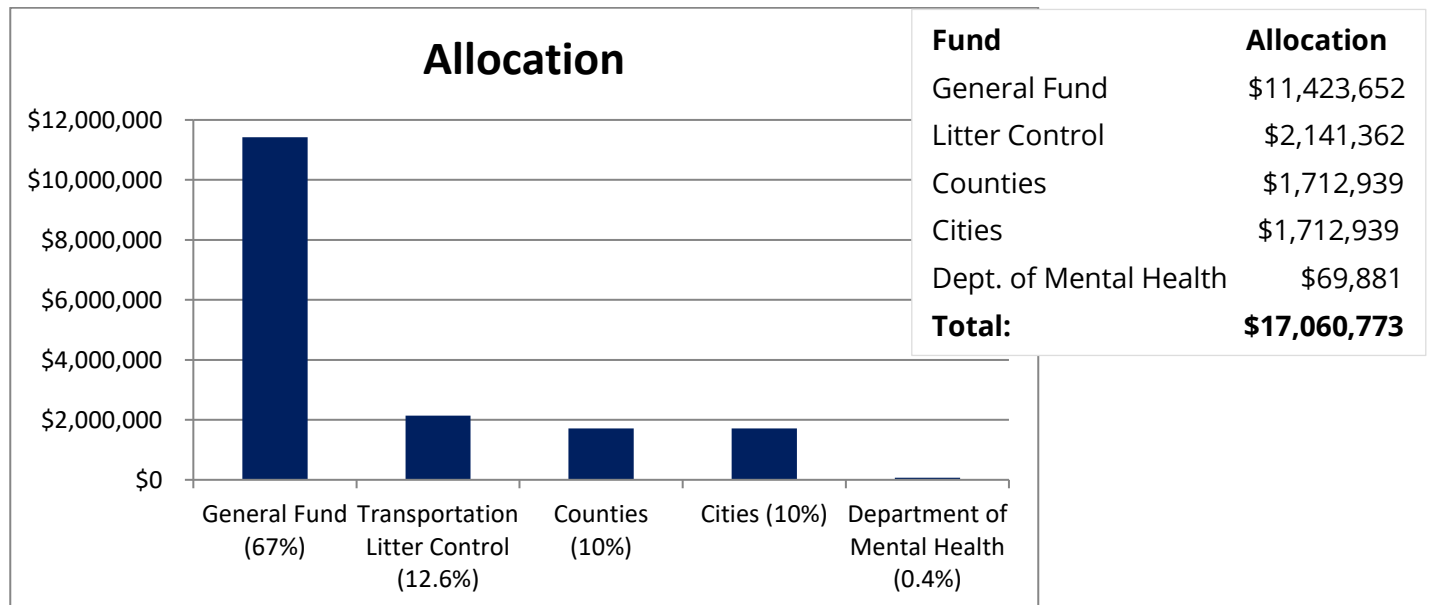
### Mix Drink (Liquor-by-the-drink) Tax:



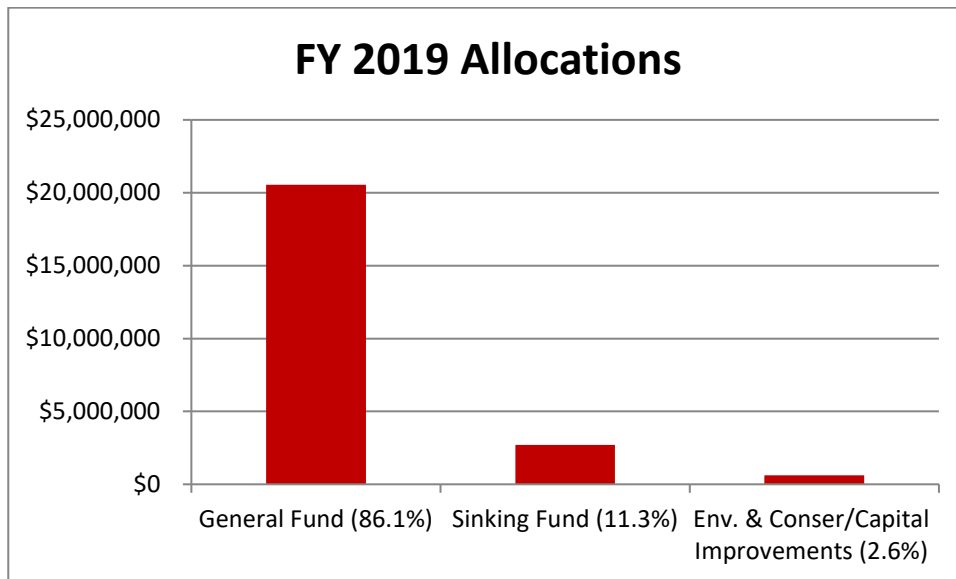
### Alcoholic Beverage Tax:



### Beer Taxes:

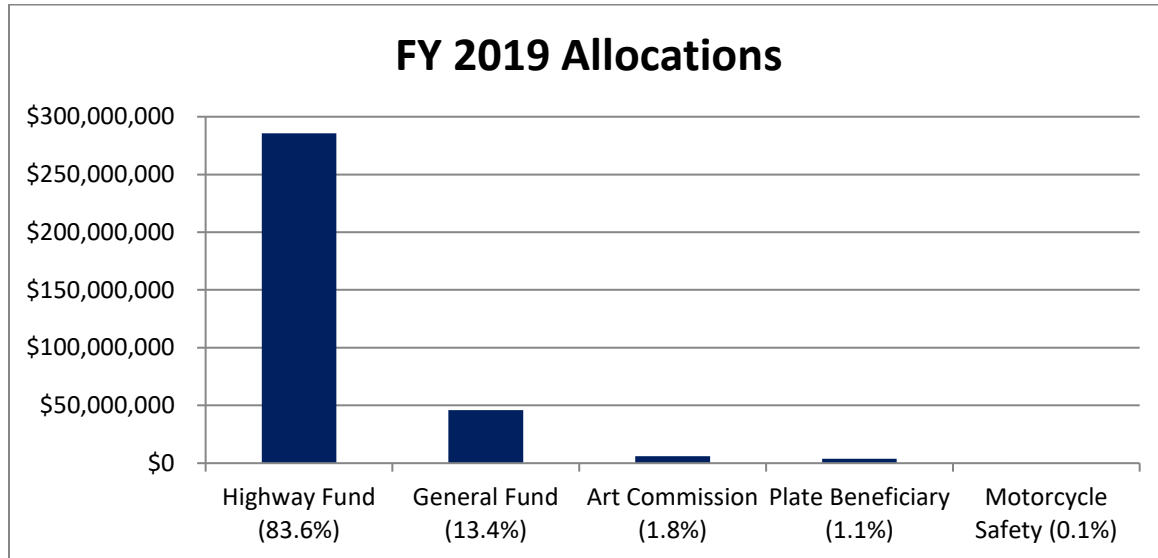


### Motor Vehicle Title Fee:



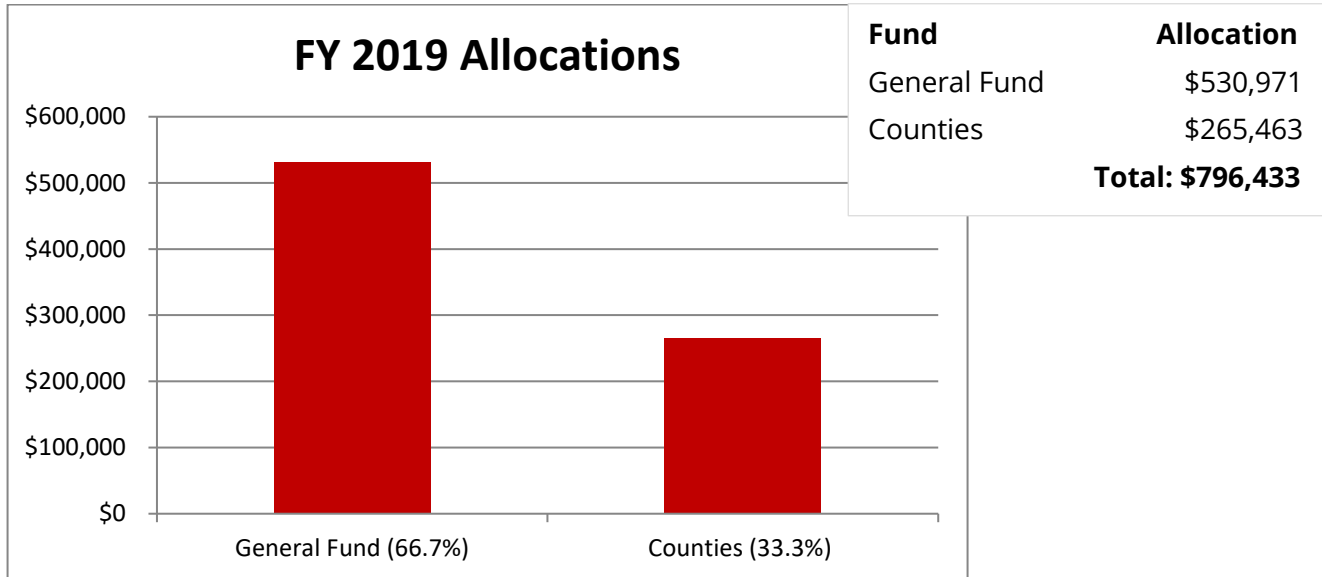
Fund	Allocation
General Fund	\$20,547,238
Sinking Fund	\$2,700,000
Env. & Conservation	\$625,534
<b>Total: \$23,872,771</b>	

## Motor Vehicle Registration:

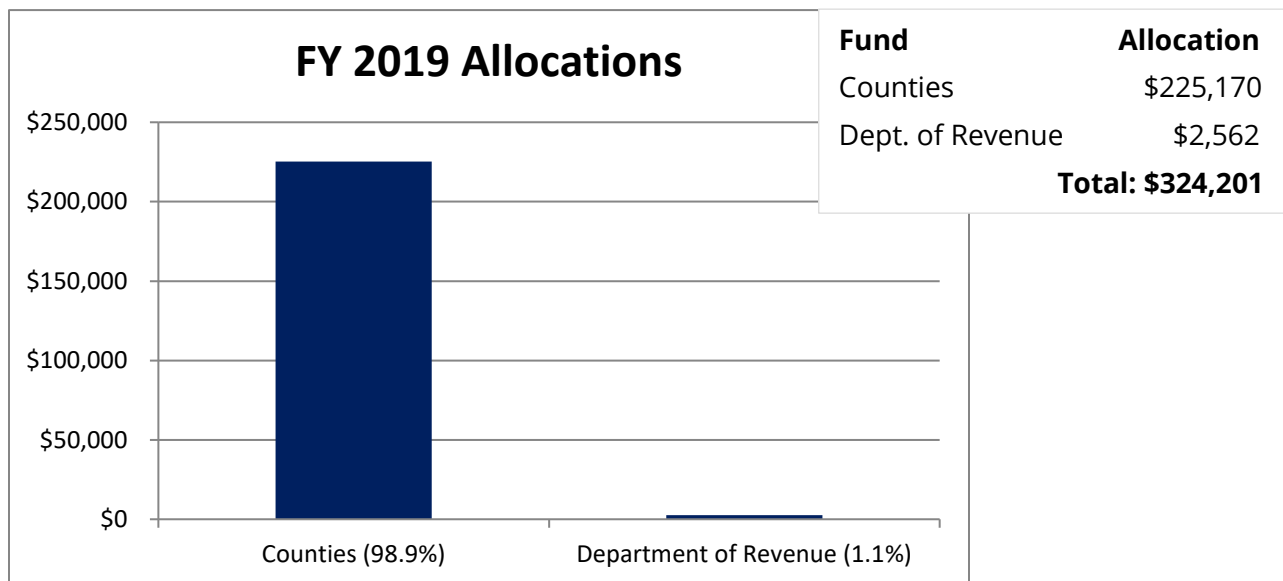


Fund	Allocation
Highway Fund	\$285,527,155
General Fund	\$45,926,450
Plate Beneficiary	\$3,810,419
Art Commission	\$6,068,213
Motorcycle Safety	\$350,806
<b>Total:</b>	<b>\$341,683,043</b>

### Gas & Oil Severance Tax:

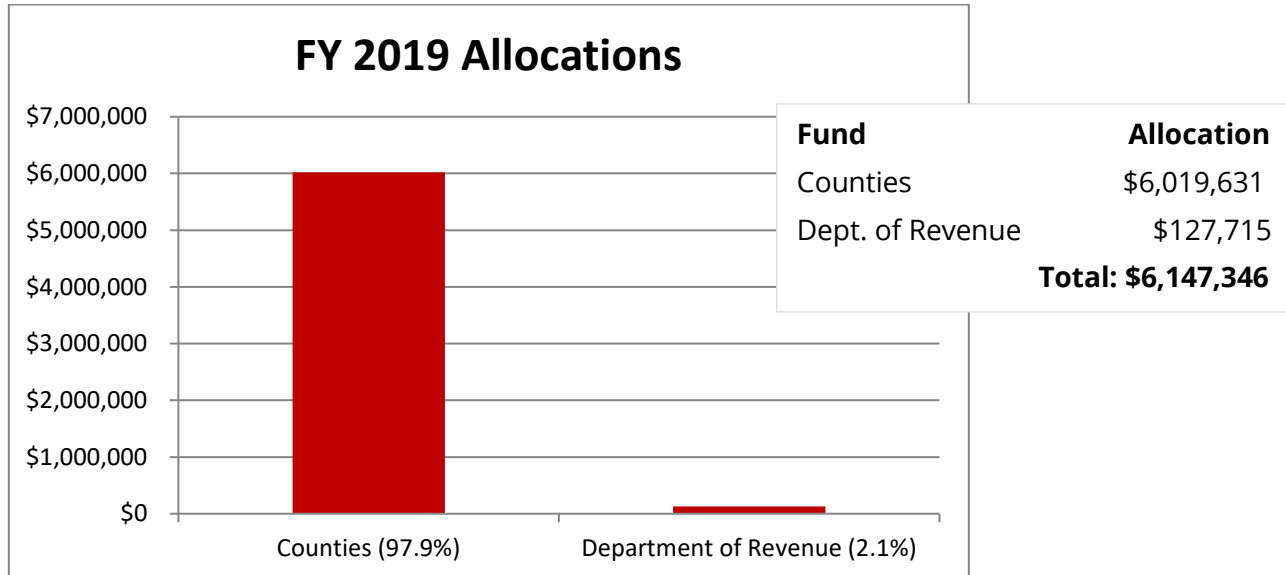


### Coal Severance Tax:

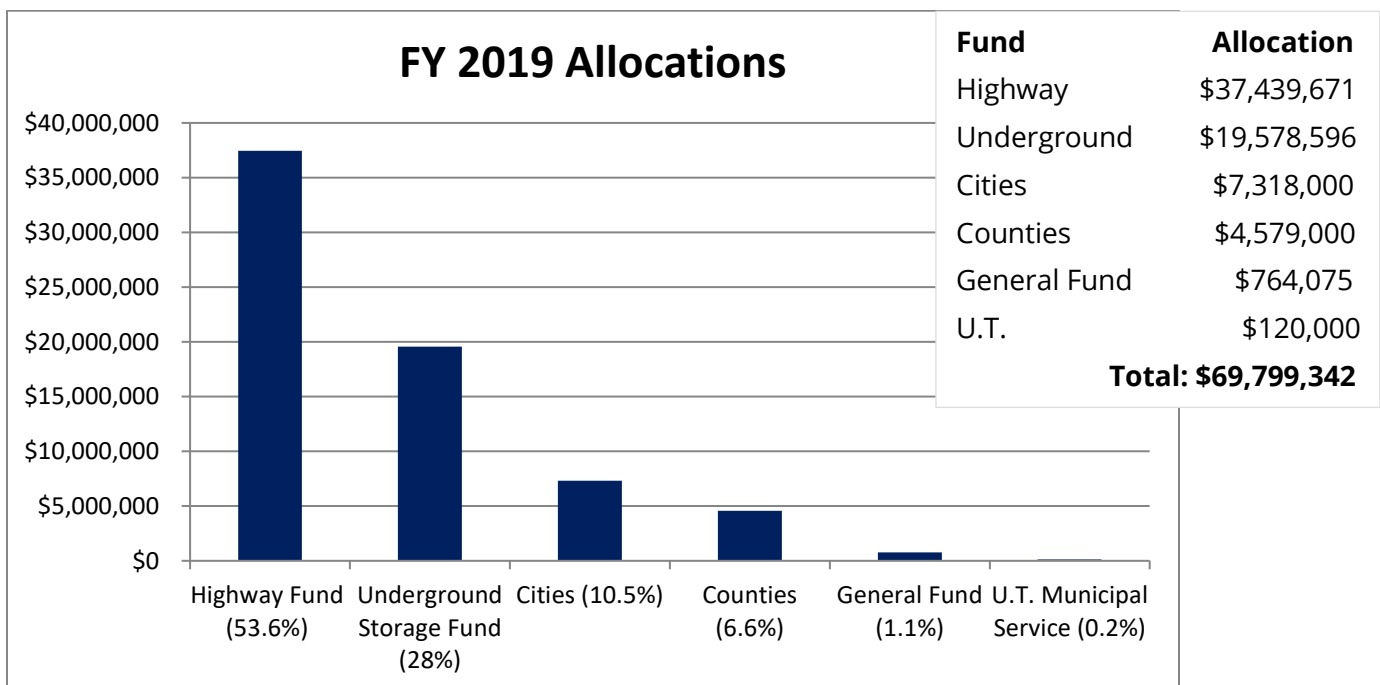




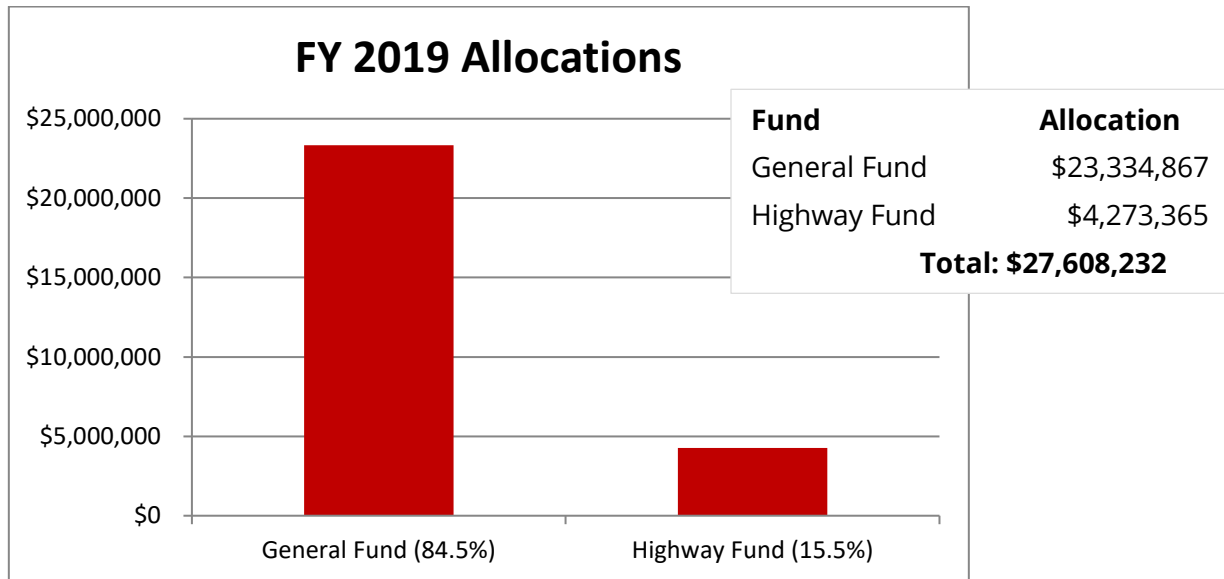
### Mineral Severance Tax:



### Petroleum Special Tax:



## Gross Receipts Tax:



## X. Employee Talent Management and Development

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### *Audit Internship Program Continues Its Success*



The Audit Internship Program, launched in 2016, has continued to be a successful initiative for the agency in recruiting and developing employees. Since the program's inception in 2016, the Audit Division has processed a total of 245 applications from 41 universities across state and its surrounding areas. The Audit Division has hosted 43 part-time interns. Several interns have joined the Department of Revenue on a full-time basis.

## ***Revenue Leadership Academy***

Revenue continued its talent management initiative with a focus on employee engagement and retention, succession planning, and leadership development. The department held its third and fourth Revenue Leadership Academy (RLA) in August and October 2018 as part of the talent management initiative. Each class had 25 participants, whose names are listed below.



### ***Revenue Leadership Academy, August 2018 Class***

- **Anthony Merinda (Vehicle Services, Nashville)**
- **Will Binkley (Administration- Special Investigations, Nashville)**
- **Gerry Blouin (Administration- Human Resources, Nashville)**
- **Kevin Brogdon (Administration- Special Investigations, Nashville)**
- **Alaina Burford (Taxpayer Services, Nashville)**
- **Robert Burke (Audit, Shelbyville)**
- **Jonathan Cornelius (Audit, Nashville)**
- **Jeremy Creech (Audit, Nashville)**
- **Sheila Culbert (Taxpayer Services, Johnson City)**
- **Beth Demunbrun (Project TR3, Nashville)**
- **Beth Dudley (Collection Services, Nashville)**
- **Joseph Ghaly (Administration- Internal Audit, Nashville)**
- **Kimberly Green (Audit, Nashville)**
- **Michelle Jones (Collection Services, Memphis)**

- **Antonio Lane (Vehicle Services, Nashville)**
- **Stephen Lilly (Collection Services, Nashville)**
- **Susan Mackens (Project TR3, Nashville)**
- **Brandon McArthur (Vehicle Services, Nashville)**
- **Rosie McClurkan (Collection Services, Nashville)**
- **Nancy Miller (Audit, Nashville)**
- **Lori Plunkett (Processing, Nashville)**
- **Nicholas Reich (Audit, New York)**
- **Myesha Sales (Processing, Nashville)**
- **Joshua Thomas (Audit, Chattanooga)**
- **Jessica Williams (Administration- Financial Control, Nashville)**



### ***Revenue Leadership Academy, October 2018 Class***

- **Timothy Amos (Audit, Knoxville)**
- **Melanie Barber (Audit, Nashville)**
- **Angela Blakely (Collection Services, Nashville)**
- **Miranda Brewington (Huey) (Taxpayer Services, Nashville)**
- **Phillip Carney (Administration- Special Investigations, Knoxville)**



- **Matt Christopher (Audit, Chattanooga)**
- **Chloette Forbus (Taxpayer Services, Nashville)**
- **Elizabeth Garcia (Taxpayer Services, Nashville)**
- **Mitchell Gibson (Taxpayer Services, Nashville)**
- **Jessica Harris (Vehicle Services, Nashville)**
- **Kaitlyn Heath (Collection Services, Nashville)**
- **Shemeka Henderson (Audit, Nashville)**
- **Shagufta Midha (Processing, Nashville)**
- **Ismail Muallem (Audit, Nashville)**
- **Michelle Pieplow (Administration- Human Resources, Nashville)**
- **Chelsea Russell (Taxpayer Services, Nashville)**
- **Susan Sagash (Audit, Nashville)**
- **Sherry Schutt (Collection Services, Nashville)**
- **Susan Shukstor (Audit, Nashville)**
- **Elizabeth Sibal (Vehicle Services, Nashville)**
- **Efrem Simmons (Taxpayer Services, Memphis)**
- **Courtney Swim (Administration- Legal, Nashville)**
- **Cynthia Vaughn (Administration- Internal Audit, Nashville)**
- **Michael Ward (Project TR3, Nashville)**
- **Vanessa Yarbrough (Processing, Nashville)**

## ***Revenue Participants in Statewide Leadership Programs***

In conjunction with the Department of Human Resources, the Department of Revenue offers its employees several opportunities to help cultivate and enhance their leadership skills. These programs also offer candidates the opportunity to network with peers across the department, as well as around state government. Below is a quick overview of some of the available programs, as well as the participants in those programs for fiscal year 2018-2019.

### ***LEAD Tennessee***



LEAD Tennessee is a statewide, 12-month development initiative for current managers and supervisors from all branches of government. The program consists of six one-day “summits” of intense, high-impact learning focused on eight leadership core competencies: self-management, mission driven, customer-focused, courage, talent-focused, integrity, innovation, and high-performing. Revenue’s LEAD Tennessee participants for the 2018-2019 fiscal year were:

- **Dan Vinson (Taxpayer Services, Nashville)**
- **Robyn Meeks (Vehicle Services, Nashville)**
- **Deanna Polinski (Administration- Processing, Nashville)**
- **Rayna Ware (Administration- Financial Control, Nashville)**
- **David Brandon Gibson (Collection Services, Chattanooga)**
- **Anne Warner (Administration- Legal, Nashville)**

## ***Tennessee Government Management Institute***



*Tennessee Government Management Institute*

Tennessee Government Management Institute (TGMI) is a two-week residential management program that provides mid-level managers in Tennessee state government with the opportunity for academic study, learning in practical management skills, and cross agency networking to enhance the individual skills of middle managers. Revenue's TGMI candidates for the 2018-2019 fiscal year were:

- **Antonio (Shaun) Lane (Vehicle Services, Nashville)**
- **Arthur (Trey) Gay (Collection Services, Nashville)**



### ***Tennessee Government Executive Institute***



Tennessee Government Executive Institute (TGEI) is designed for senior-level leaders, such as assistant commissioners, deputy commissioners, and directors. This program is a two-week residential training course that provides senior level leaders in Tennessee state government with the opportunity for academic study, learning executive responsibility, and cross agency networking designed to enhance the skills of Tennessee government's senior leaders. Revenue's TGEI candidate for the 2018-2019 fiscal year was **Allison Raymer (Vehicle Services, Nashville)**.



## XI. Contact the Department

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### *Nashville - Andrew Jackson Office*

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Nashville, TN 37242  
(615) 253-0600  
Statewide toll-free: (800) 342-1003

### ***Regional Offices***

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1301 Riverfront Parkway  
Chattanooga, TN 37402  
(423) 634-6266

#### **Cookeville**

1100 England Drive  
Suite 4A  
Cookeville, TN 38501  
(931) 526-9699

#### **Jackson**

225 Dr. Martin Luther King Jr. Drive  
Suite 340  
Jackson, TN 38301-6920  
(731) 423-5747

#### **Johnson City**

204 High Point Dr.  
Johnson City, TN 37601  
(423) 854-5321

#### **Atlanta**

5665 New Northside Drive, #160  
Atlanta, GA 30328  
(770) 541-5980

#### **Chicago**

800 Roosevelt Road, Building B, #206  
Glen Ellyn, IL 60137-5848  
(630) 790-0631

#### **Houston**

8210 Willow Place South, Suite 420  
Houston, TX 77070  
(832) 912-8500

#### **Knoxville**

7175 Strawberry Plains Pike  
Suite 300  
Knoxville, TN 37914  
(865) 594-6100

#### **Memphis**

3150 Appling Road  
Bartlett, TN 38133  
(901) 213-1400

#### **Nashville - Metro Center**

44 Vantage Way, Suite 160  
Nashville, TN 37243  
(615) 741-3101

#### **Shelbyville**

875 Union Street  
Suite B & C  
Shelbyville, TN 37160  
(931) 685-5010

#### **New York**

1500 Broadway, Suite 1100  
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(646) 366-5880

#### **Newport Beach**

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Newport Beach, CA 92660  
(949) 720-8434

#### **Philadelphia**

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Bensalem, PA 19020  
(215) 245-4556



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