



Integrated Tax System

The Tax Department uses several different computer systems/programs, some of which are approximately thirty years old, to process tax returns, bill taxpayers, collect liabilities, provide tax information and enforce the tax laws of West Virginia. Recognizing the need to better serve the citizens of West Virginia and the need to modernize the technology of the Tax Department, Governor Manchin and the legislature appropriated \$22 million for the acquisition of a modern tax system that would store all taxpayer information in one computer system.

Together with Fast Enterprises, LLC, we have begun implementing an integrated tax computer system, which provides us with a consolidated view of taxpayer accounts. The advancements provided by the integrated tax system will assist taxpayers in meeting their state tax obligations, increase detection and enforcement efforts, and assist in the discovery of new taxpayers. Stand-alone collection and stand-alone audit systems will allow us to view accounts while at taxpayer locations. The Tax Department will be able to compare data with other government agencies, private industry and make legislative changes with ease.

PHASES OF IMPLEMENTATION

Phase 1 – Effective January 16, 2007, includes Business Registration Tax (registration for collection agencies, employment agencies, transient vendors, drug paraphernalia, and sparklers and novelties); Consumers Sales and Service Tax (includes economic opportunity district excise tax, local excise tax on purchases of liquor and wine and direct pay permits); Use Tax; and Employer Withholding Tax.

Phase 2 with a projected completion date of December 2007, will include Personal Income Tax; Corporate Net Income Tax; Business Franchise Tax; Cemetery Registration and Corporation License Tax.

Phase 3 with a projected completion date of May 2008, will include Discovery and Taxpayer Access Point (which will allow taxpayers to monitor their own tax accounts on-line).

Phase 4 with a projected completion date of December 2008, will include Severance Taxes; Solid Waste; Telecommunications Tax; Business and Occupation Tax; and Healthcare Provider Tax.

Phase 5 with a projected completion date of August 2009, will include Motor Fuel Excise Tax; Motor Carrier Road Tax, Non-intoxicating Beer Barrel Tax; Soft Drink Tax; Tobacco Products Tax; Wine Liter Tax; Charity Bingo; and Charity Raffle Licenses.

Effective with this first phase, taxpayers will see some changes in the way we do business. The taxpayer **identification number** used by the Tax Department has changed. **Currently this change only affects the taxes in phase one.** In the past, West Virginia identification numbers were either nine digit Federal Employer Identification Numbers (FEIN) or Social Security Numbers (SSN), with a three digit suffix (001, 002 etc.) This identification number was used to reference a business or individual. To protect taxpayer confidential identification number(s), an account number has been assigned to each tax type that the taxpayer is responsible for filing. The new WV tax account number is eight digits, specific to each individual tax type (account) and will be on all documentation issued from the department. Taxpayers may continue to use the tax returns they have with the identification number that is on the return until they are provided tax returns with the new identification numbers. When return(s) are filed using the old identification numbers, they will be processed and credited to the tax account(s) correctly. The first time a letter, notification or tax return is generated from the new system, it will contain the new eight-digit tax specific account number(s).

Taxpayers who have recently applied for a new **Business Registration Certificate** may experience a delay in receiving their certificate. A copy of the Business Registration Application will serve as a temporary authorization to conduct business until such time as the actual certificate is received. The certificate will now be a full-page document (8 1/2 x 11). Upon receipt of the Business Registration Certificate, the taxpayer should post the document in a conspicuous position in the place where business is being conducted.

Taxpayers will now see a monthly **Statement of Account (SOFA)** for periods that have not been timely filed and/or paid. This document will provide a consolidated notice of all periods in debt including those previously billed from our older computer systems but not yet collected. For each period the SOFA will show the tax due, interest, penalty, additions to tax and any credits. In cases of non-filed tax returns, the SOFA will indicate estimated tax due. It will also have stages of collection, such as assessment, notice of proposed tax lien, lien and distress warrant. Taxpayers will receive a separate SOFA for each tax account (tax type) that is in the new integrated tax computer system. However, for those taxes not included in the first phase, billings and delinquency notices for non-filed returns will continue to be issued as they have in the past.

A **Recomputation Notice** will be sent to taxpayers who file returns that require corrections. For example: changes as a result of calculation errors, failure to attach necessary information, disallowance of claimed credits, etc. This notice will provide the taxpayer with a detailed explanation of changes made to the return. If a taxpayer fails to provide requested information or pay the amount indicated on the notice, a Notice of Assessment (NOFA) will be issued. This notice allows 60 days for the taxpayer to comply or protest the assessment prior to a notice of tax lien being filed and a collection case being created. It is very important that taxpayers complete their tax returns accurately to avoid errors that could create additional liability.

With the installation of the new system, the Tax Department will be able to effectively monitor accounts and advise taxpayers of their account activity. All documents requesting payment will have a payment voucher on the bottom of each notice that can be cut off for easy remittance. The technical advancements this computer system provides will assist taxpayers in meeting their State tax obligations.

Assistance may be obtained by calling

Taxpayer Services Division
(304) 558-3333 or 1-800-WVA-TAXS (1-800-982-8297)

A TDD Service is available for the hearing impaired by calling
1-800-2TAXTDD (1-800-282-9833)

To order forms or publications call the automated information system at:
(304) 344-2068 or 1-800-422-2075

Or visit our website: <http://www.state.wv.us/taxdiv>

The following locations may also be contacted for assistance

BECKLEY, WV 25801
407 Neville Street, Suite 109
Phone – (304) 256-6764

HUNTINGTON, WV 25701
2699 Park Avenue, Suite 230
Phone – (304) 528-5568

CHARLESTON, WV 25301
1206 Quarrier Street
Phone – (304) 558-3333 or
1-800-WVA-TAXS (1-800-982-8297)

MARTINSBURG, WV 25404
397 Mid Atlantic Parkway, Suite 2
Phone – (304) 267-0022

CLARKSBURG, WV 26301
30 West Pike Street, Suite 201
Phone – (304) 627-2109

PARKERSBURG, WV 26101
400 Fifth Street
Phone – (304) 420-4570

WHEELING, WV 26003
40 Fourteenth Street
Phone – (304) 238-1152