



FOR IMMEDIATE RELEASE Contact: Cory Fong, Tax Commissioner, 701-328-2770  
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**TAX DEPARTMENT REPORTS NEW TAX SYSTEM ON SCHEDULE AND UNDER BUDGET**  
BISMARCK, N.D. – Earlier today Tax Commissioner Cory Fong and Tax Department Operations Director Catherine Forsch, provided information regarding the status of the Tax Department's integrated tax system project to the Interim Information Technology Committee.

"The project is on-time and it is coming in under budget," reported Commissioner Fong. Fong informed the committee that the first two phases of the project have been implemented successfully and the department has saved about one million dollars. Fong added, "The savings are largely due to the good work of the project management team. The project is a cooperative effort between the Tax Department, the state's Information Technology Department, and FAST Enterprises."

FAST Enterprises specializes in providing services and products to revenue agencies, which includes GenTax, their commercial off-the-shelf (COTS) packaged software product. Other states that are using the GenTax product include Alabama, Georgia, Idaho, Louisiana, Montana, New Mexico, Utah, West Virginia, and Wisconsin.

During the 2005 Legislative Session, the Tax Department was given authority to implement an integrated tax system. The two-year implementation phase began in July 2005. In January 2006 the department completed the first rollout by converting the sales and use taxes, local option taxes, city lodging, and city restaurant and lodging taxes to the new integrated system. In June, estate tax, motor fuels tax, and withholding taxes were converted. The third phase, scheduled for January 2007, will convert individual, fiduciary, partnership, and S corporation income taxes. The last rollout is scheduled for June 2007 and the project is expected to be completed by July 2007.

"The integrated tax system should be transparent to taxpayers," said Forsch. "What taxpayers will notice is improved customer service when they do business with the Tax Department."

"The project is about replacing an out-dated, 40-year old mainframe system," said Fong. "The new system will provide the framework for the tax department to expand and improve services for all taxpayers." Fong added that the integrated tax system makes it possible for the Tax Department to provide a centralized taxpayer assistance center for all taxpayers. Once fully implemented, the improved system will be most noticeable to taxpayers who report and pay multiple tax types, i.e. a retailer who collects sales tax and motor fuels tax, because they will be able to make one call for answers to their questions.

The Tax Department is the primary revenue collecting agency for the state, administering 35 tax types. During the 2003-05 biennium, the Tax Department collected over \$1.6 billion in General Fund tax revenue.

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