

E00A
Comptroller of the Treasury

Operating Budget Data

(\$ in Thousands)

	FY 02	FY 03	FY 04	FY 03-04	FY 03-04
	<u>Actual</u>	<u>Approp</u>	<u>Allowance</u>	<u>Change</u>	<u>% Change</u>
General Funds	\$67,904	\$68,595	\$68,433	-\$162	-0.2%
FY 2003 Cost Containment	0	-3,361	0	3,361	
FY 2003 Deficiencies	0	700	0	-700	
Contingent & Back of Bill Reductions	0	-43	-341	-298	
Adjusted General Funds	\$67,904	\$65,891	\$68,092	\$2,201	3.3%
Special Funds	14,074	13,939	12,973	-967	-6.9%
Contingent & Back of Bill Reductions	0	-6	-59	-52	
Adjusted Special Funds	\$14,074	\$13,933	\$12,914	-\$1,019	-7.3%
Reimbursable Funds	24,964	28,100	25,646	-2,454	-8.7%
Contingent & Back of Bill Reductions	0	-8	-64	-56	
Adjusted Reimbursable Funds	\$24,964	\$28,092	\$25,582	-\$2,510	-8.9%
Adjusted Grand Total	\$106,942	\$107,917	\$106,588	-\$1,328	-1.2%

- The fiscal 2004 allowance contains a \$700,000 deficiency request – \$400,000 for temporary staff to process mail during tax season and \$300,000 to purchase a Dun & Bradstreet business database.
- The fiscal 2004 allowance contains a \$3.2 million decrease in various information technology acquisitions as part of cost containment.
- There is a \$754,000 reduction in the fiscal 2004 allowance due to the elimination of funds associated with 27.5 PINs that were abolished or transferred in fiscal 2003.
- There is a \$525,000 decrease in the fiscal 2004 allowance due to deferring an upgrade to the mainframe computer.
- There is a \$302,000 decrease in the fiscal 2004 allowance related to the elimination of the outdated Electronic Tax Filing system.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

	<u>FY 02</u> <u>Actual</u>	<u>FY 03</u> <u>Working</u>	<u>FY 04</u> <u>Allowance</u>	<u>Change</u>
Regular Positions	1,151.70	1,125.70	1,125.70	0.00
Contractual FTEs	25.20	28.60	25.40	-3.20
Total Personnel	1,176.90	1,154.30	1,151.10	-3.20

Vacancy Data: Regular Positions

Budgeted Turnover: FY 04	58.09	5.16%
Positions Vacant as of 12/31/02	51.70	4.59%

- The fiscal 2004 allowance deletes 3.2 contractual positions – 1 from Revenue Administration, 1 from the Motor Fuel Tax Unit, 1 from Central Payroll, and 0.2 from the Office of the Comptroller.

Analysis in Brief

Major Trends

Electronic Filing: Electronic tax filing has become increasingly popular.

Issues

Cigarette Smuggling: Maryland has one of the highest cigarette taxes in the nation and is bordered by states with very low tax rates, creating an incentive for smuggling.

Audit: The Office of Legislative Audits conducted audits of the Office of the Comptroller, the Bureau of Revenue Estimates, and the Field Enforcement Division.

Vehicle Identification Card Fees: This fee is required for all vehicles transporting alcohol in the State and has not been increased in over 10 years.

Commission on Maryland's Financial Structure: During the 2002 interim the Comptroller made several recommendations to the Commission on Maryland's Financial Structure, five of which are assumed in the fiscal 2004 budget.

Recommended Actions

	<u>Funds</u>
1. Reduce general funds for software upgrades.	\$ 115,387
2. Reduce funding increase for postage.	151,900
3. Reduce funding for web site audit.	123,000
4. Delete the funding increase for payments to outside auditors.	240,000
5. Reduce funding for overtime.	121,500
6. Add budget language to reduce reimbursable funds.	
7. Add budget language concerning reallocation of reimbursable funds reduction.	
Total Reductions	\$ 751,787

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Operating Budget Analysis

Program Description

The Comptroller of the Treasury is charged with the general supervision of the State's fiscal matters, including collecting taxes, distributing revenues, and administering financial accounts. The agency is divided into ten divisions generally falling into the following categories:

Revenue

The Revenue Administration Division is responsible for processing and collecting various taxes, including the personal income tax, the corporate income tax, and the sales tax. The Compliance Division conducts audits and collects delinquent taxes for all revenue sources. The Field Enforcement Division enforces all tax laws by conducting investigations, tests, and inspections. The Alcohol and Tobacco Tax Unit administers the State's alcohol and tobacco laws and performs functions such as processing license and permit applications, preparing cases for hearings, and administering the Cigarette Sales Below Cost Act. The Motor Fuel Tax Unit administers laws relating to the motor carrier tax and motor fuel tax.

Administration

The Office of the Comptroller has general supervision over the agency. The General Accounting Division accounts for all State funds received and disbursed and prepares financial reports required by law. This division is also responsible for the Relational Statewide Accounting and Reporting System. The Central Payroll Bureau issues salary checks and administers the direct deposit transactions for State employees in three separate payroll systems.

Other Divisions

The Bureau of Revenue Estimates provides estimates used by the Board of Revenue Estimates when it formulates recommendations to be submitted to the Governor. The Information Technology Division administers the Annapolis Data Center. The data center is available to all State agencies on a reimbursable basis.

The goals of the Comptroller are as follows:

- to provide high quality public service;
- to fully utilize information technology;

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- to be a competitive and desirable employer; and
- to vigorously enforce tax laws essential to the fair treatment of all taxpayers.

Performance Analysis: Managing for Results

Revenue Administration

One of the major concerns to many taxpayers is how long they must wait to receive their tax refund. As **Exhibit 1** shows, the Comptroller returns refunds in a timely fashion.

Exhibit 1

**Selected Managing for Results Measures for Revenue Administration
Fiscal 2001 through 2004**

<u>Measure</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04 (Est.)</u>
Paper Submissions				
% of returns receiving a refund	71%	82%	75%	75%
Average days to issue refund – filing season	9.2	11.2	10.0	10.0
Average days to respond to correspondence	8	6	10	10
Electronic Submissions				
% of returns receiving a refund	88%	86%	86%	86%
Average days to issue refund – filing season	1.6	1.2	1.7	1.7
Average days to respond to correspondence	1	1	2	2

Source: Governor’s Budget Books

While the measures presented are good, the trend indicates that the Comptroller believes it may have reached its maximum potential turnaround time for mailing refunds. **The Comptroller should discuss why response time is expected to slow and how meeting these targets may be affected by cost containment actions.**

Compliance

The Comptroller’s compliance activities have been productive. For fiscal 2002 through 2004 (estimate) it has cost an average of \$4.88 million dollars annually in individual compliance activities such as garnishments, bank attachments, and property liens to collect an average of \$107 million in delinquent

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tax revenue. The same numbers for business compliance activities shows that it cost an average of \$5.22 million to collect an average of \$177 million annually.

The Comptroller reports that there will be significant increases in unclaimed property activity. **Exhibit 2** details the Comptroller's expectations.

Exhibit 2

**Selected Managing for Results Measures for Compliance Division –
Unclaimed Property
Fiscal 2001 through 2004 Estimated
(\$ in Thousands)**

<u>Measure</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04 (Est.)</u>
Number of new owners added to file	40,652	38,289	80,000	80,000
Number of notices sent to owners	28,349	34,711	70,000	70,000
\$ of unclaimed property reported	\$53,340	\$44,689	\$90,000	\$90,000
\$ of unclaimed property paid to owners	\$11,913	\$10,883	\$22,000	\$22,000

Source: Governor's Budget Books

These increase are due to a change in the dormancy period for holders of unclaimed property. The Budget Reconciliation and Financing Act (BRFA) of 2002 changed the dormancy period from five years to four years for fiscal 2003, and from four years to three years for fiscal 2004. This means that the Comptroller will be receiving a two-year volume of unclaimed property, claim forms, and notices in fiscal 2003 and 2004.

The Comptroller should be prepared to comment on the financial affects of this change and the average annual volume the Comptroller projects after these changes are in full effect.

Fiscal 2003 Actions

Proposed Deficiency

The fiscal 2004 allowance contains a \$700,000 fiscal 2003 deficiency request. There are two components to the deficiency request.

- **Mail Processing:** The largest part of the deficiency request is \$400,000 for temporary staff. Each year during tax season (January through April) the Comptroller receives a large volume of mail. In order to maintain acceptable response times, the Comptroller regularly hires temporary staff to open

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and begin processing the mail. This insures that taxpayers receive timely responses, refunds are sent promptly, and checks are deposited quickly.

- ***Dun & Bradstreet Database:*** The smaller part of the deficiency request is \$300,000 for a Dun & Bradstreet business database. The most effective way the Comptroller can identify Maryland businesses and identify businesses with tax liabilities is to compare the tax roles to the comprehensive Dun & Bradstreet business database. The Comptroller regularly purchases this database, although for cost containment purposes it will not be purchasing one in fiscal 2004.

Impact of Cost Containment

In fiscal 2003 the Comptroller took \$3.4 million (4.9% of the working appropriation) worth of cost containment actions. This reduction was allocated across many operating expenses, but the largest reduction (\$2.3 million) affected programs within the Revenue Administration Division.

Fiscal 2003 cost containment also reflects the reversion of appropriations to support free transit ridership for State employees, contingent upon enactment of a provision in the 2003 BRFA. This is about \$57,000 for the Comptroller.

The Comptroller should be prepared to explain how these reductions will affect operations.

Governor's Proposed Budget

Exhibit 3 details the fiscal 2004 allowance. The fiscal 2004 allowance provides \$1.3 million (1.23%) less than the revised fiscal 2003 working appropriation.

Impact of Cost Containment

The Comptroller continues to take cost containment actions in the fiscal 2004 allowance. The single most significant action is in new technology acquisition. The Comptroller's fiscal 2004 allowance for technology acquisition for its Information Technology (IT) Division decreases by \$3.173 million from the fiscal 2003 working appropriation. These reductions are realized by eliminating some training, contractual IT services, and some system upgrades.

Other fiscal 2004 cost containment actions include a \$525,000 decrease from deferring a mainframe computer upgrade and a \$300,000 decrease from not purchasing a 2004 comprehensive business database. The fiscal 2004 allowance reflects the elimination of the appropriation for matching employee deferred compensation contributions up to \$600, contingent upon enactment of a provision in the 2003 BRFA. This is about \$370,000 for the Comptroller.

Exhibit 3

**Governor's Proposed Budget
Comptroller of the Treasury
(\$ in Thousands)**

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Where It Goes:

Personnel Expenses

Employee and retiree health insurance	\$1,279
Turnover adjustments	419
Overtime	127
Unemployment compensation	30
Costs associated with 22 PINs deleted in fiscal 2003 budget	-754
Deferred compensation	-370
Workers' compensation charges	-297
Other fringe benefit adjustments	-88

Revenue Administration

Increase in the Department of Budget and Management's allocation for telecommunication and capital lease expenses. Most of the increase is allocated to programs in Revenue Administration	393
Payments to contracted audit firms for unclaimed property services	240
Discontinuation of a contract with General Electric for outdated Electronic Tax Filing System	-302

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Where It Goes:

Data processing including elimination of Dun and Bradstreet data base for fiscal 2004	-231
Elimination of contractual positions	-110
Administration	
Postage increase mainly due to increase in first class postage rates.....	640
High speed photo copiers and printers for print shop.....	162
Communications audit and website review to examine effective use of Comptroller's web site and electronic tax forms and connecting the Register of Wills imaging system to the Estate Tax System.....	154
Technology	
Replacement of air conditioning unit for Annapolis Data Center mainframe computer room.....	234
Software upgrades such as Windows for personal computers.....	161
Data processing peripheral equipment.....	147
Reduction in information technology acquisition such as technology for filing sales tax and withholding tax via the internet as part of cost reductions	-3,173
Deferment of a mainframe upgrade for the Annapolis Data Center.....	-525
Elimination of outside system consulting services.....	-150
Other Changes	
Increases in various programs due to one time fiscal 2003 cost containment actions	767
Capital leases – accounting re-allocation.....	-125
Miscellaneous changes	44
Total	-\$1,328

Note: Numbers may not sum to total due to rounding.

The Comptroller should be prepared to comment on the affects of these actions with specific reference to revenue collection and taxpayer services.

Personnel

The net increase for personnel in the fiscal 2004 allowance is \$346,000. The largest change in personnel expenses is a \$1.3 million increase in employee and retiree health insurance. There is also a \$754,000 decrease in regular earnings which is a deletion of funds associated with 22 abolished and 4 transferred (to the Department of General Services) PINs in fiscal 2003.

Compliance

There is a \$240,000 increase due to an increase in the contract for the audit firm that handles unclaimed property for the State. In fiscal 2003 the auditors found an unusually large amount of revenue

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(\$5.5 million) that was not anticipated nor in-line with historical averages, and the Comptroller had to submit a budget amendment in order to have the funds to pay the auditors their commission (13%).

Revenue Administration

The fiscal 2004 allowance also contains a \$302,000 decrease from the discontinued use of the outdated electronic tax filing system. This system is 13 years old and is no longer state-of-the-art or even compatible with the newest technology.

Other Changes

The Comptroller distributed the fiscal 2003 cost containment among dozens of operating costs. The significant changes are specifically addressed above, but there are various smaller one-time cost containment actions in fiscal 2003 that total about \$767,000.

Issues

1. Cigarette Smuggling

As various states around the country have increased cigarette taxes, the federal Bureau of Alcohol, Tobacco, and Firearms reports that incidents of cigarette smuggling have increased significantly. The primary type of activity is for smugglers to legally purchase cigarettes in low-tax states and then transport and re-sell them in high-tax states. Maryland, which has the sixth highest cigarette tax in the country, is in close proximity of several low tax states as **Exhibit 4** shows.

Exhibit 4

Cigarette Tax Rates for Mid-Atlantic States (As of July 1, 2002)

<u>Jurisdiction</u>	<u>Tax Rate Per Pack</u>	<u>National Rank</u>
Maryland	\$1.00	6
Washington, DC	0.65	19
Pennsylvania	0.31	33
Delaware	0.24	35
West Virginia	0.17	42
Virginia	0.025	51

Source: Federation of Tax Administrators

Its proximity to low-tax states makes Maryland an attractive target for smugglers. In addition to those who engage in smuggling as their employment, the U.S. Department of Justice reports that cigarette smuggling is an increasingly popular way for terrorist groups to finance operations. During calendar 2002 the Comptroller's office provided over 200 names to the Federal Bureau of Investigation of known cigarette smugglers, most of who are suspected of having connections with organized terror networks.

According to the Managing for Results report, the Comptroller expects the number of smuggling arrests to increase from 74 in fiscal 2002 to 90 in fiscal 2003 – as of December 31, 2002, there had been 74 arrests for cigarette smuggling in fiscal 2003. This is a pace that will result in over 125 arrests by the end of the fiscal year. However, the Comptroller estimates that there will be 95 smuggling arrests in fiscal 2004 and estimates that the actual number of confiscated cigarettes will decrease (by about 5% a year in fiscal 2003 and 2004). These two trends would seem to be contradictory; more arrests should be accompanied by more untaxed cigarette seizures, unless the average number of cigarettes being seized in an arrest will decrease.

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In addition to smuggling, other actions that tend to increase with higher taxes include tax stamp forgery, Internet sales, “roll-your-own”, and simple tax avoidance. With most of the State’s population living within one hour of another state, it is not unusual for tobacco consumers to travel out-of-state to make their personal purchases.

The Comptroller should be prepared to comment on the trends in cigarette smuggling, the cost and revenue generated from smuggling interdiction as well as estimates on revenue loss due to tax avoidance measures.

2. Audit

The Office of Legislative Audits (OLA) conducted audits of the Office of the Comptroller, Bureau of Revenue Estimates, and the Field Enforcement Division. OLA released its report in January 2003. A summary of its major findings is provided in **Exhibit 5**.

Exhibit 5

Audit Findings

<u>Division</u>	<u>Finding</u>
Field Enforcement	Confiscated property was not adequately controlled. Specifically there were 13,970 packs of cigarettes unaccounted for.
Office of the Comptroller	Inactive grants were not effectively monitored for potential cancellation of unexpended authorizations.
Office of the Comptroller	Proper internal controls were not established over the processing of certain purchasing and disbursement transactions.
Field Enforcement Division	Adequate control was not established over collections of the Field Enforcement Division.
Office of the Comptroller	Sufficient controls were not established over the issuance of corporate purchasing cards and the related expenditures.
Field Enforcement	Certain payroll controls were not adequate.

Source: Office of Legislative Audits

The Comptroller should be prepared to comment on what actions will be taken to address

these issues.

3. Vehicle Identification Card Fees

The Comptroller administers a variety of fees related to the sale, production, consumption, and transportation of alcoholic beverages. One of these fees is the vehicle identification card (VIC) fee. A VIC is necessary in order to transport and store alcohol in the State. The permit costs \$2.00 and contributed over \$134,000 to general fund revenue in fiscal 2002. This fee has not been increased in more than ten years. A doubling of the fee should have an insignificant affect on the alcoholic beverage business in the State but could provide an additional \$130,000 in general funds in fiscal 2004. **The Department of Legislative Services (DLS) recommends that in the 2003 BRFA the \$2 vehicle identification card fee be at least doubled to \$4. Furthermore, DLS asks the Comptroller to comment on the estimated affects of this increase and other fees that the legislature may wish to consider increasing.**

4. Commission on Maryland's Financial Structure

During the 2002 interim the Commission on Maryland's Financial Structure submitted an interim report of its recommendations for changes to the State's budget and tax structure. As part of this process the Comptroller made several recommendations to the committee of which five have been assumed in the Governor's fiscal 2004 budget. The expected revenue for fiscal 2004 from these five items is estimated to be \$57 million.

The five actions are:

- ***Withhold from the Proceeds of Nonresident Real Estate Sales:*** Any gain on a sale of property is taxable, and this has been an easy tax for out-of-state residents to avoid.
- ***Put Withholding Taxes on the Federal Schedule:*** Currently, withholding due dates are the fifteenth of the following month, except for the end of the quarter when the due date is the last day of the month. This proposal adopts New York's approach, which requires payment within 72 hours once the taxpayer has reached \$15,000 in taxes paid in the year.
- ***Streamline the Bank Attachment Process:*** There are process efficiency improvements that can be made to the bank attachment process.
- ***Expand License Clearance to Several State Agencies:*** This proposal would require the Departments of Natural Resources; Health and Mental Hygiene; Environment; and Labor, Licensing, and Regulation, as well as the Motor Vehicles Administration to verify that anyone holding a license, permit, or certification issued by the agency is in compliance with the State's tax laws.
- ***Permit Direct Salary Attachment for Other Taxes:*** This proposal would allow the Comptroller to place attachments directly on salaries for other taxes in addition to individual income taxes.

The Comptroller should comment on the cost of implementing these actions.

Recommended Actions

	<u>Amount Reduction</u>	
1. Reduce general funds for software upgrades. In fiscal 2003 the Comptroller put \$144,000 (all of the balance) of funds in this item towards cost containment. This reduction allows a \$46,000 increase.	\$ 115,387	GF
2. Reduce funding increase for postage to an 8.8% increase, which is the percent rate increase in the cost of first class postage.	151,900	GF
3. Reduce funding for web site audit services and defer the connecting of the Register of Wills imaging system and the Comptroller's Estate Tax system.	123,000	GF
4. Delete the funding increase for payments to outside auditors who are regularly contracted for unclaimed property audits. The auditors are paid on commission, and these funds can be appropriated by amendment should they be necessary.	240,000	SF
5. Reduce the funding for overtime. This reduction allows an increase over the fiscal 2003 working appropriation of 2.2%.	121,500	GF
6. Add the following language:		

Authorization to expend reimbursable funds received from State agencies is reduced by \$316,000.

Explanation: The Comptroller's fiscal 2004 allowance includes \$162,500 for printing services it will no longer be providing due to the Comptroller's plan to use the Department of General Services printing services. This reduction also includes a reduction of \$153,500 in the fiscal 2004 allowance for the purchase of data processing equipment.

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7. Add the following language:

AND BE IT FURTHER ENACTED, That:

- (1) a reduction of \$153,500 is made to this budget for the Information Technology Division of the Comptroller of the Treasury (Comptroller object 882);
- (2) the Governor shall develop a schedule for allocating this reduction across various State departments and agencies that utilize the Comptroller’s Information of Technology Division’s services and across all funds appropriated for the purpose of purchasing technology services based upon each State department and agency usage of the services of the Comptroller’s Information of Technology Division; and
- (3) the reduction under this section shall equal at least the amounts indicated for the budgetary fund types listed;

<u>Fund</u>	<u>Amount</u>
<u>General</u>	<u>\$116,523</u>
<u>Special</u>	<u>\$8,596</u>
<u>Federal</u>	<u>\$28,251</u>

Explanation: Budget bill language reduces the Comptroller’s fiscal 2004 allowance by \$153,500. This budget bill language directs the Governor to develop a schedule for allocating the savings resulting from this reduction to the various State departments and agencies that use the services of the Comptroller’s Information of Technology Division. The funds reallocation should be based on the usage rates of each department or agency that purchases information services from the Technology Division. Furthermore, the total reduction should be split as indicated above among general, special, and federal funds.

Total Reductions	\$ 751,787
Total General Fund Reductions	\$ 511,787
Total Special Fund Reductions	\$ 240,000

Current and Prior Year Budgets

Current and Prior Year Budgets Comptroller of the Treasury (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2002					
Legislative Appropriation	\$69,351	\$11,601	\$0	\$27,212	\$108,164
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	0	3,000	0	0	3,000
Reversions and Cancellations	-1,447	-527	0	-2,248	-4,222
Actual Expenditures	\$67,904	\$14,074	\$0	\$24,964	\$106,942
Fiscal 2003					
Legislative Appropriation	\$68,595	\$13,939	\$0	\$28,100	\$110,634
Budget Amendments	0	0	0	0	0
Cost Containment	-3,404	-6	0	-8	-3,418
Deficiency	700	0	0	0	700
Working Appropriation	\$65,891	\$13,933	\$0	\$28,092	\$107,917

Note: Numbers may not sum to total due to rounding.

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Appendix 2

Object/Fund Difference Report
Comptroller of the Treasury

Object/Fund	FY 03		FY 04 Allowance	FY 03 - 04 Amount Change	Percent Change
	FY 02 Actual	Working Appropriation			
Positions					
01 Regular	1151.70	1125.70	1125.70	0	0%
02 Contractual	25.20	28.60	25.40	-3.20	-11.2%
Total Positions	1176.90	1154.30	1151.10	-3.20	-0.3%
Objects					
01 Salaries and Wages	\$ 59,564,096	\$ 59,567,246	\$ 60,319,765	\$ 752,519	1.3%
02 Technical & Spec Fees	992,165	1,169,171	999,383	-169,788	-14.5%
03 Communication	7,476,694	7,212,067	8,039,026	826,959	11.5%
04 Travel	397,050	501,439	397,050	-104,389	-20.8%
06 Fuel & Utilities	43,518	56,550	54,842	-1,708	-3.0%
07 Motor Vehicles	380,507	363,025	348,308	-14,717	-4.1%
08 Contractual Services	28,527,551	32,621,605	28,953,927	-3,667,678	-11.2%
09 Supplies & Materials	3,361,911	3,536,618	3,350,666	-185,952	-5.3%
10 Equip - Replacement	1,588,435	719,312	639,638	-79,674	-11.1%
11 Equip - Additional	3,408,312	3,568,803	2,821,591	-747,212	-20.9%
12 Grants, Subsidies, Contr	23,474	97,800	97,800	0	0%
13 Fixed Charges	1,045,066	1,102,935	989,624	-113,311	-10.3%
14 Land & Structures	133,063	117,500	39,972	-77,528	-66.0%
Total Objects	\$ 106,941,842	\$ 110,634,071	\$ 107,051,592	-\$ 3,582,479	-3.2%
Funds					
01 General Fund	\$ 67,903,868	\$ 68,594,650	\$ 68,432,909	-\$ 161,741	-0.2%
03 Special Fund	14,073,877	13,939,423	12,972,658	-966,765	-6.9%
09 Reimbursable Fund	24,964,097	28,099,998	25,646,025	-2,453,973	-8.7%
Total Funds	\$ 106,941,842	\$ 110,634,071	\$ 107,051,592	-\$ 3,582,479	-3.2%

Note: Fiscal 2003 appropriations and fiscal 2004 allowance do not include cost containment and contingent reductions.

Fiscal Summary
Comptroller of the Treasury

<u>Unit/Program</u>	FY 02		FY 03		FY 03	FY 02 - 03		FY 04	FY 03 - 04
	<u>Actual</u>	<u>Legislative Appropriation</u>	<u>Legislative Appropriation</u>	<u>Working Appropriation</u>	<u>Working Appropriation</u>	<u>% Change</u>	<u>% Change</u>	<u>Allowance</u>	<u>% Change</u>
01 Office of the Comptroller	\$ 8,065,897	\$ 8,430,334	\$ 8,362,752	\$ 8,362,752	\$ 8,455,483	3.7%	3.7%	\$ 8,455,483	1.1%
02 General Accounting Division	4,694,664	4,976,128	4,957,528	4,957,528	4,938,463	5.6%	5.6%	4,938,463	-0.4%
03 Bureau of Revenue Estimates	366,406	454,546	448,871	448,871	395,171	22.5%	22.5%	395,171	-12.0%
04 Revenue Administration Division	34,583,353	35,240,459	36,744,861	36,744,861	35,197,172	6.3%	6.3%	35,197,172	-4.2%
05 Compliance Division	26,551,991	23,759,936	24,128,802	24,128,802	24,587,408	-9.1%	-9.1%	24,587,408	1.9%
06 Field Enforcement Division	3,819,447	4,010,163	3,994,311	3,994,311	3,995,225	4.6%	4.6%	3,995,225	0%
07 Alcohol and Tobacco Tax Division	1,715,179	1,815,797	1,804,518	1,804,518	1,809,213	5.2%	5.2%	1,809,213	0.3%
08 Motor Fuel Tax Division	2,185,652	2,241,494	2,241,494	2,241,494	2,338,395	2.6%	2.6%	2,338,395	4.3%
09 Central Payroll Bureau	3,670,574	3,555,198	3,535,698	3,535,698	3,562,561	-3.7%	-3.7%	3,562,561	0.8%
10 Information Technology Division	21,288,679	24,450,236	24,415,236	24,415,236	21,772,501	14.7%	14.7%	21,772,501	-10.8%
Total Expenditures	\$ 106,941,842	\$ 108,934,291	\$ 110,634,071	\$ 110,634,071	\$ 107,051,592	3.5%	3.5%	\$ 107,051,592	-3.2%
General Fund	\$ 67,903,868	\$ 68,594,650	\$ 68,594,650	\$ 68,594,650	\$ 68,432,909	1.0%	1.0%	\$ 68,432,909	-0.2%
Special Fund	14,073,877	12,204,643	13,939,423	13,939,423	12,972,658	-1.0%	-1.0%	12,972,658	-6.9%
Total Appropriations	\$ 81,977,745	\$ 80,799,293	\$ 82,534,073	\$ 82,534,073	\$ 81,405,567	0.7%	0.7%	\$ 81,405,567	-1.4%
Reimbursable Fund	\$ 24,964,097	\$ 28,134,998	\$ 28,099,998	\$ 28,099,998	\$ 25,646,025	12.6%	12.6%	\$ 25,646,025	-8.7%
Total Funds	\$ 106,941,842	\$ 108,934,291	\$ 110,634,071	\$ 110,634,071	\$ 107,051,592	3.5%	3.5%	\$ 107,051,592	-3.2%

Note: Fiscal 2003 appropriations and fiscal 2004 allowance do not include cost containment and contingent reductions.