

State of Washington
Department of Revenue
PO Box 47476
Olympia WA 98504-7476
ESS SERVICE REQUESTED

JOHN DOE
CAPITAL LANDSCAPING
2525 EVERGREEN WAY
OLYMPIA WA 98502

STATE OF WASHINGTON
DEPARTMENT OF REVENUE

September 13, 2012
Tax Registration No.

PAC Code

We Have Not Received Your July 2012 Tax Return
was due August 25, 2012. It will continue to accrue
penalty.

Tools to Enhance Voluntary Compliance

Vikki Smith, Deputy Director
October 7, 2013



What I'll cover

- Research your customer
- Develop a user profile
- Put it in plain English
- Use design to convey your message
- Test your products with users
- Put your tools to use
- Keep looking for ways to meet customer needs



Research your customer

- Identify their needs
- Website redesign example
 - ✓ Review search log data
 - ✓ Use website analytics (example: Google analytics)
 - ✓ Target users with online surveys
 - ✓ Tap subject-matter experts
 - ✓ Examine user profiles of similar state agencies
- Mobile app example
 - ✓ Keep track of users' continually changing needs - example: trend toward mobile/responsive design
 - ✓ Deliver information and services when and where users need them



Develop a user profile

- Helps focus on “who” the product is being created for
- A user profile helps define:
 - ✓ WHO your customers are (small-business owners)
 - ✓ HOW they use your website (topically; scan instead of read; not for fun)
 - ✓ WHY they come to your site (E-file, look up a tax rate, look up a registered business)
 - ✓ WHO you need to RECRUIT for effective usability studies

Put it in plain English

- Use Plain Talk - plain language, or writing, that the typical customer can understand and act upon after a single reading
 - ✓ Plan your communication
 - ✓ Focus on people
 - ✓ Use short, simple sentences
 - ✓ Use words readers know



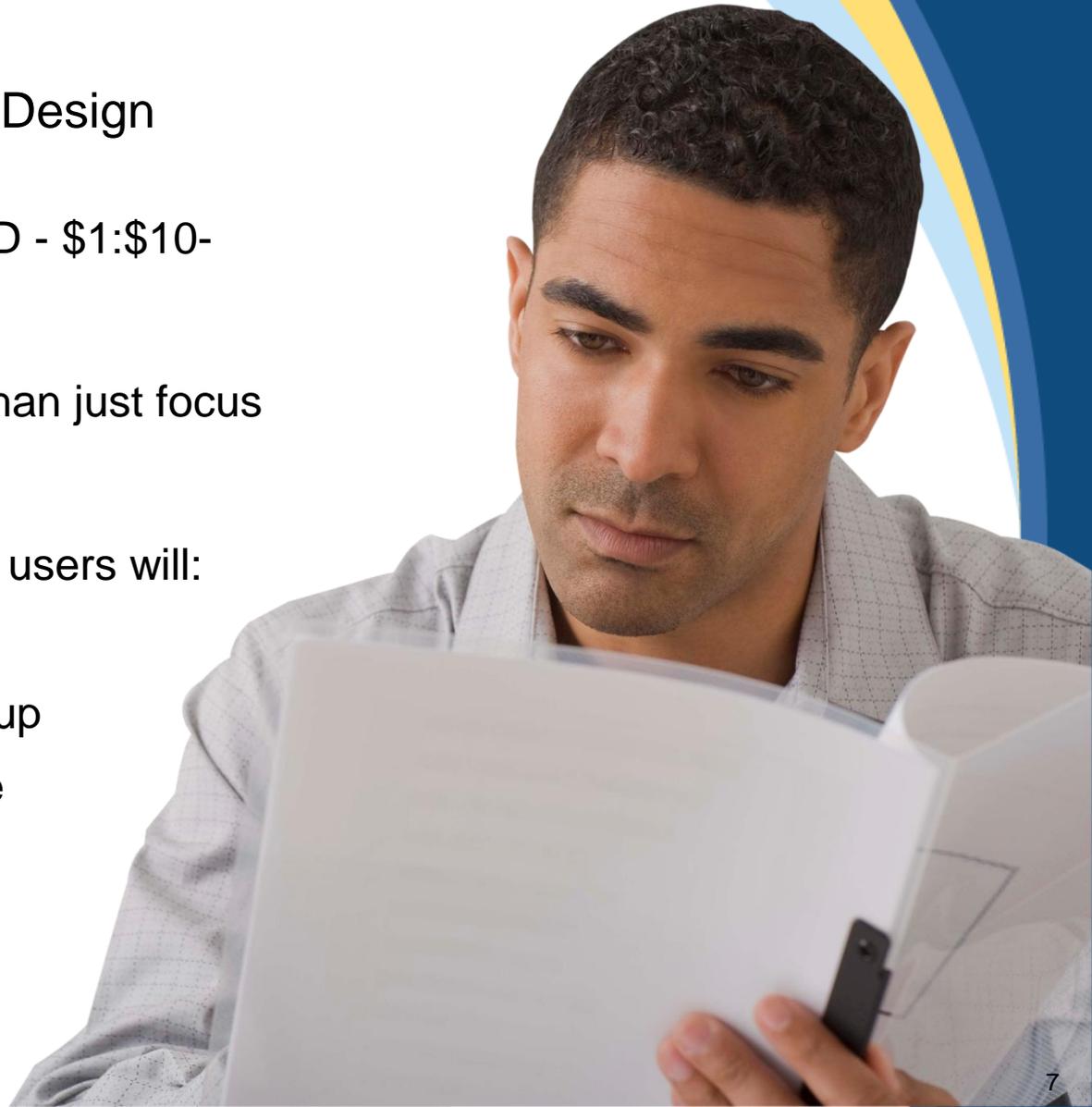
Use design to convey your message

- Make the text visual
 - ✓ Use lists and tables whenever possible
 - ✓ Use bulleted lists for items/conditions
- Format pages to help users
 - ✓ Put most important information first
 - ✓ Content is easily scanned by reader
 - ✓ Separate information into “chunks”
 - ✓ Use bold headings and white space



Test your products with users

- Employ User-Centered Design (UCD)
 - ✓ Cost/benefit ratio of UCD - \$1:\$10-\$100
- Usability testing is more than just focus group work
- When UCD is not applied, users will:
 - ✓ Make mistakes
 - ✓ Get frustrated and give up
 - ✓ Call or visit a local office

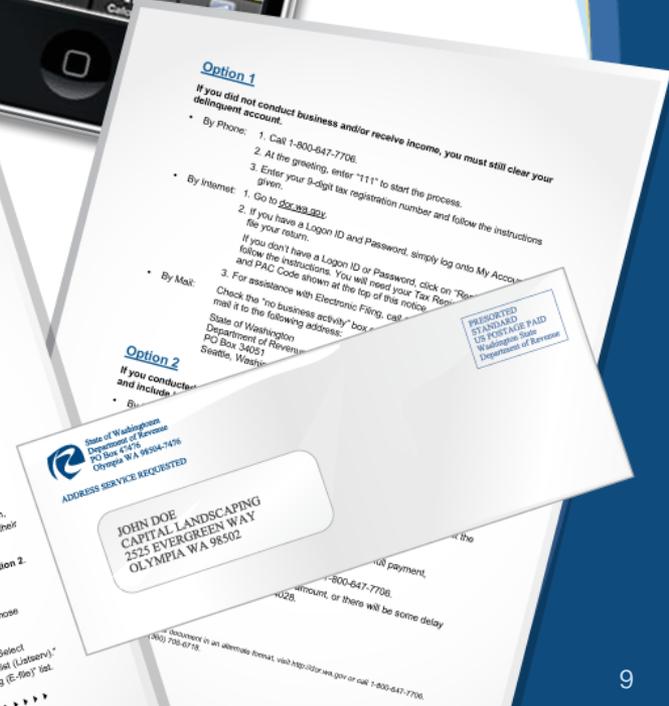
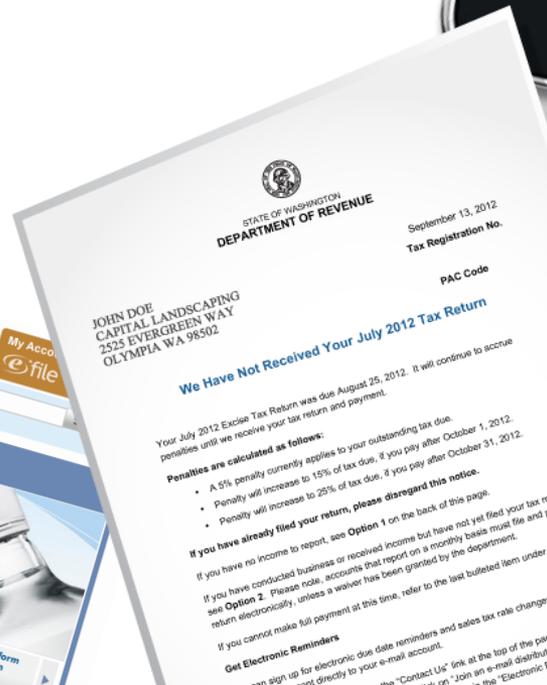
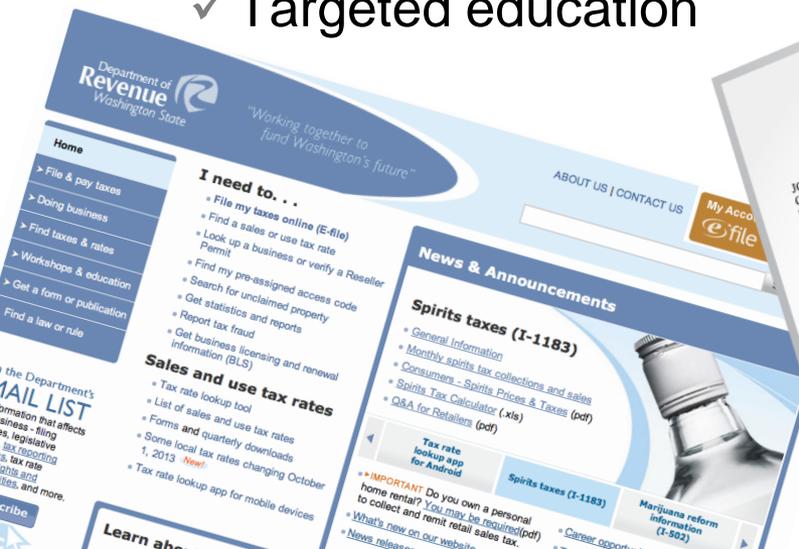


Test your products with users

- Usability testing
 - ✓ One hour, one-on-one meeting with representative customer
 - ✓ Facilitator asks participant to perform tasks
 - ✓ Participant is asked to “think out loud” and verbalize what they are thinking and expecting
- What you can learn:
 - ✓ Labels or words your customers don’t understand
 - ✓ What they call things
 - ✓ Where they expect to find things
 - ✓ Information they still need
 - ✓ Information that is not important
 - ✓ Content that’s not in the order or format expected

Put your tools to use

- All of these tools can be used for a number of different products
 - ✓ Websites
 - ✓ Web applications (desktop and mobile)
 - ✓ Letters/notices
 - ✓ Forms
 - ✓ Targeted education



Web site

The screenshot shows the homepage of the Washington State Department of Revenue. At the top left is the department's logo. A navigation menu includes links for Home, Online Services, Doing Business, Taxes, Forms, and Contact Us. A search bar is located in the top right. The main content area features a welcome message and a prominent announcement about the online Tax Incentive Report/Survey. To the left is a sidebar with a 'Home' section containing links to 'What's New', 'Newsroom', 'Careers', 'About Us', and 'Questions & Answers'. Below this is a 'TAKE OUR ONE MINUTE SURVEY' button. Further down are 'External Links' and 'Access Washington' icons. On the right side, there is a 'Login' section with fields for 'Login ID' and 'Password', a 'Login' button, and a link for 'Forgot Your Login ID or Password?'. Below the login section is a 'Register Now!' button. At the bottom right, there are three icons: 'Unclaimed Property', 'Business Records Database', and 'Tax Rate Lookup Tool'. A 'Quick Clicks' section on the bottom left lists various tax forms and topics. A 'Tax Topics' section on the bottom right provides links to 'Federal Sales Tax Deduction', 'Did you receive a delinquent notice?', 'Don't forget your property taxes', 'Court decision invalidates Washington's Estate Tax', 'Are you doing business on the Internet?', and 'Take a look at the 2005 Tax Reference Manual'.

DEPARTMENT OF REVENUE
WASHINGTON STATE

Text Version | Printer-friendly | Help | Site Map

Search

Home Online Services Doing Business Taxes Forms Contact Us

Home > Main

Statistics & Reports
Laws & Rules

Home

What's New
Newsroom
Careers
About Us
Questions & Answers

TAKE OUR ONE MINUTE SURVEY
CLICK HERE

External Links

Access Washington

Welcome to
Washington State Department of Revenue

Tax Incentive Report/Survey now offered online!

The Department now offers the ability to submit your tax deferral/waiver or credit program survey online! If you have an Online Services login ID and password simply [log on](#), then click on the Tax Incentive Report/Survey link on the left-side menu.

If you don't have a login ID or password, you'll need to [register](#). Follow the steps to register and add your account. To do this, you'll need a recent tax return with your tax registration number and pre-assigned access code (PAC). Once registered, click on the Tax Incentive Report/Survey link on the left-side menu.

For more information about the survey, [click here](#).

Online Services
E-file & More!
[learn more](#)

Login ID:
Password:

Login

Forgot Your Login ID or Password?

Register Now!

Unclaimed Property

Business Records Database

Tax Rate Lookup Tool

Quick Clicks

- Cigarette Tax Form
- Consumer Use Tax Return
- Delinquent Taxpayer List
- Excise Tax Returns and Information
- Frequently Asked Questions
- Fraud (Reporting)
- Special Notices: Information on specific tax issues
- Workshops
- Indian Issues: Doing business with Indians in "Indian Country"

Tax Topics

- **Federal Sales Tax Deduction**—The state rate is 6.5%. Check here for your [local tax rate](#)

[Did you receive a delinquent notice?](#)

Don't forget your property taxes

Court decision invalidates Washington's Estate Tax

Are you doing business on the Internet?

Take a look at the 2005 Tax Reference Manual

Web site

Department of **Revenue** 
Washington State

"Working together to fund Washington's future"

ABOUT US | CONTACT US

My Account [login](#)
e-file [register](#) 

Home

- > File & pay taxes
- > Doing business
- > Find taxes & rates
- > Workshops & education
- > Get a form or publication

Find a law or rule

I need to . . .

- [File my taxes online \(E-file\)](#)
- Find a sales or use tax rate
- Look up a business or verify a Reseller Permit
- Find my pre-assigned access code
- Search for unclaimed property
- Get statistics and reports
- Report tax fraud
- Get business licensing and renewal information (BLS)

Sales and use tax rates

- Tax rate lookup tool
- List of sales and use tax rates
- Forms and quarterly downloads
- Some local tax rates changing October 1, 2013 [New!](#)
- Tax rate lookup app for mobile devices

News & Announcements

Spirits taxes (I-1183)

- [General Information](#)
- [Monthly spirits tax collections and sales](#)
- [Consumers - Spirits Prices & Taxes \(pdf\)](#)
- [Spirits Tax Calculator \(.xls\)](#)
- [Q&A for Retailers \(pdf\)](#)

Tax rate lookup app for Android	Spirits taxes (I-1183)	Marijuana reform information (I-502)
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- **IMPORTANT** Do you own a personal home rental? [You may be required\(pdf\)](#) to collect and remit retail sales tax.
- [What's new on our website](#)
- [News releases](#)
- [Career opportunities](#)
- [Tax Facts](#) [New!](#)
- [Sales to nonresidents](#)
- [Consumer information](#)

Join the Department's **EMAIL LIST**

Get information that affects your business - filing deadlines, legislative changes, [tax reporting obligations](#), [tax rate updates](#), [rights and responsibilities](#), and more.

[Subscribe](#)



Learn about...

- New business tax workshop
- E-file
- Taxi cabs & related businesses
- What is subject to sales tax?
- Personal property tax
- Do I owe use tax?
- Nonprofits
- Plan for and pay your taxes
- Reseller permits
- How to prepare for an audit
- Economic nexus
- Property tax
- Tax incentive programs
- Tax information for consumers

Property tax

Overview

[Apply for an exemption or deferral](#)



More information

- [Property tax exemptions and deferrals](#)
- [Homeowners guide to property taxes](#)

CONTACT US | ABOUT US | QUESTIONS & ANSWERS | PRINTER FRIENDLY

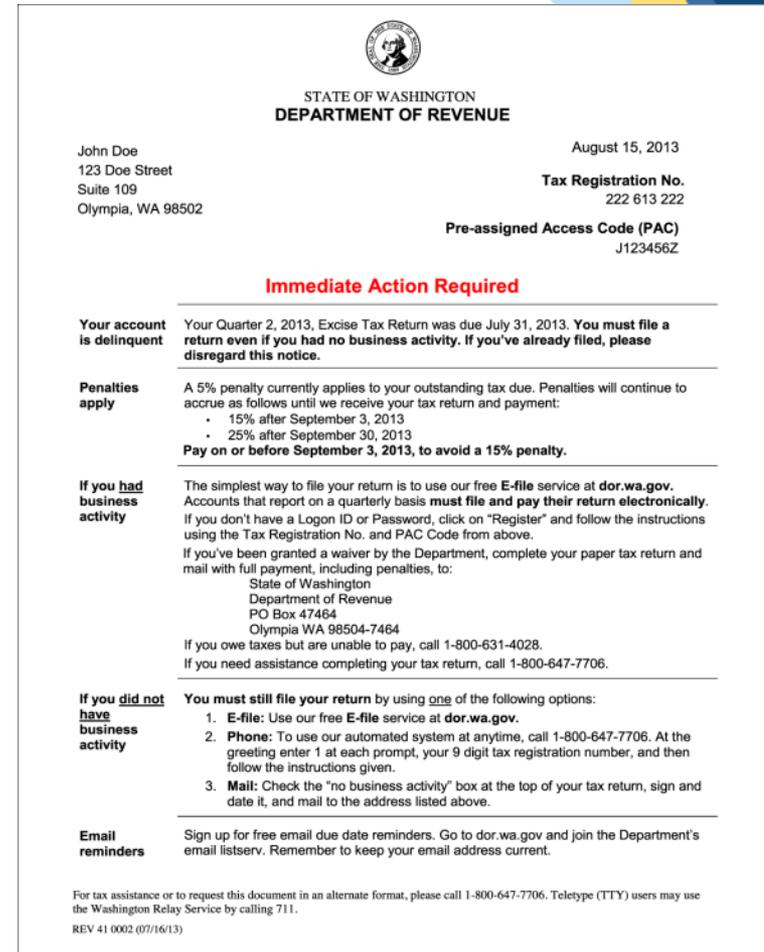
Web applications (desktop and mobile)

- Business use of mobile devices is growing
- Customers' mobile needs
- Why sales tax rate lookup?
- Go where your customers are
- Leverage unique mobile functionality



Letters/notices

- Excise Tax Delinquent Notice Letter Redesign
 - ✓ Plain Talk principles make it easy to understand
 - ✓ Format is easier to read; one page instead of two
 - ✓ User-centered content sets clear direction and expectations
 - ✓ Tone prompts customer to take action
 - ✓ Revised mailing schedule gives more time to take action before calls start
 - ✓ **Result:** Filing rate increased by 7%




STATE OF WASHINGTON
DEPARTMENT OF REVENUE

John Doe
123 Doe Street
Suite 109
Olympia, WA 98502

August 15, 2013

Tax Registration No.
222 613 222

Pre-assigned Access Code (PAC)
J123456Z

Immediate Action Required

Your account is delinquent Your Quarter 2, 2013, Excise Tax Return was due July 31, 2013. **You must file a return even if you had no business activity. If you've already filed, please disregard this notice.**

Penalties apply A 5% penalty currently applies to your outstanding tax due. Penalties will continue to accrue as follows until we receive your tax return and payment:

- 15% after September 3, 2013
- 25% after September 30, 2013

Pay on or before September 3, 2013, to avoid a 15% penalty.

If you had business activity The simplest way to file your return is to use our free **E-file** service at dor.wa.gov. Accounts that report on a quarterly basis **must file and pay their return electronically**. If you don't have a Logon ID or Password, click on "Register" and follow the instructions using the Tax Registration No. and PAC Code from above.

If you've been granted a waiver by the Department, complete your paper tax return and mail with full payment, including penalties, to:

State of Washington
Department of Revenue
PO Box 47464
Olympia WA 98504-7464

If you owe taxes but are unable to pay, call 1-800-631-4028.
If you need assistance completing your tax return, call 1-800-647-7706.

If you did not have business activity **You must still file your return** by using one of the following options:

1. **E-file:** Use our free **E-file** service at dor.wa.gov.
2. **Phone:** To use our automated system at anytime, call 1-800-647-7706. At the greeting enter 1 at each prompt, your 9 digit tax registration number, and then follow the instructions given.
3. **Mail:** Check the "no business activity" box at the top of your tax return, sign and date it, and mail to the address listed above.

Email reminders Sign up for free email due date reminders. Go to dor.wa.gov and join the Department's email listserv. Remember to keep your email address current.

For tax assistance or to request this document in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711.
REV 41 0002 (07/16/13)

Amnesty Application Form

Before



WASHINGTON STATE APPLICATION FOR AMNESTY **DRAFT** AMN-APP
February 1 – April 30, 2011

Instructions:
1. Please read the Amnesty Program Requirements on the reverse side of this form to determine whether you are eligible.
2. Complete all information requested in the application. Incomplete applications may result in delay or denial of amnesty.
3. This application must be received by April 18, 2011, and full payment by April 30, 2011. (see page 2 for additional information)

NAME		TAX REGISTRATION NUMBER	
BUSINESS NAME		DAYTIME TELEPHONE NUMBER	
MAILING ADDRESS (NUMBER, STREET)		FAX NUMBER	
CITY	STATE	ZIP CODE	EMAIL

Check applicable box: REGISTERED BUSINESS UNREGISTERED BUSINESS

NOTE: In schedule below, you may combine all liabilities of the same tax type and show as lump sum. It is not necessary to itemize individual taxable transactions. (Attach additional sheets if necessary).

APPLYING FOR AMNESTY ON: <small>(i.e. Tax Assessment, Returns, Invoices, Unreported Taxes)</small>	TAX PERIOD	INTEREST & PENALTIES <small>Amount requested to be waived</small>	TAXES OWED	FEES <small>Warrant Filing Fees See Revenue for Information</small>	TOTAL DUE <small>Add Taxes Owed and Fees</small>
If you need a quote or further assistance with this section, please contact us. <small>Other Amounts Due</small>					TOTAL AMOUNT DUE

I accept the terms of the Washington State Department of Revenue Amnesty Program and certify that the information contained in this application is true and correct to the best of my knowledge. I further certify that I have never been a defendant in a criminal prosecution related to an offense involving failure to collect or pay the proper amount of any tax administered by the Department of Revenue. I understand that as a condition of receiving penalty or interest relief under this program, I may not seek a refund, or otherwise challenge the amount of tax liability paid under this program in any court or administrative tribunal. All tax amounts are subject to verification.

I acknowledge that email and fax communications are not secure, and that confidential information sent via email or fax may be intercepted and used by unauthorized persons. I accept these conditions and waive any violation of the Secrecy Clause (RCW 82.32.330) that might arise from an unauthorized interception and/or use of email or fax.

Signature of Taxpayer (required) _____ Signature of Agent/Preparer _____ Date _____

METHOD OF PAYMENT	
<input type="checkbox"/> Check or Money Order Mail payments to: WA State Department of Revenue Taxpayer Account Administration PO Box 47476 Olympia, WA 98504-7476 FAX: 360-705-6733	<input type="checkbox"/> Electronic Payment To pay electronically, visit our website at dor.wa.gov and log in to "My Account" or call 1-877-345-3353 and follow the instructions. Amount enclosed: _____ Amount paid: _____ Confirmation: _____
NOTE: If your payment is returned for any reason, amnesty may be rescinded.	

QUESTIONS? Go to dor.wa.gov/amnesty or call 1-800-647-7706

After



Amnesty Application AMN-APP

Before completing this application, read the amnesty requirements on page 2. **Complete all the information** requested on this application. Please print. Incomplete or unreadable applications may result in delay or denial of amnesty. To consider this application, we must receive it by **April 18, 2011**.

You must fulfill all the requirements of the amnesty program by **April 30, 2011**, or amnesty will be denied.

Your business is:

Registered with the Department Not registered with the Department

Name (Owner/corporate officer) _____ Tax registration/reporting number (TRN) _____
Business name _____ Daytime phone _____
Mailing address _____ Fax _____
City _____ State _____ Zip _____ Email _____

You are requesting amnesty for:

- The item(s) listed in the amnesty quote. (Attach the quote and complete the payment section below.)
- Billing document. (Attach a copy of your assessment, warrant, invoice or other billing document.)
- The tax periods listed below. (Example: 2009, Q3 2009, or Sept. 2009) (If you do not have an invoice, assessment, warrant, or other billing document, provide an explanation of amounts due.)
1. _____ 2. _____ 3. _____
- Unreported tax liabilities. (Attach supporting information. See page 2 for details.)

To submit payment:

If you know or can estimate the amount you owe, submit payment with this application. **Full payment must be submitted by April 30, 2011.** If paying by check, write your tax registration number on your check and record the amount paid below. If paying electronically, record the payment confirmation number below.

Amount paid: \$ _____ Confirmation #: _____

By checking this box, I authorize the Department to contact me by email or fax. I acknowledge that email and fax communications are not secure, and that confidential information sent this way may be intercepted and used by unauthorized persons. I accept these conditions and waive any violation of the Secrecy Clause that could occur.

I understand and agree to the requirements of the amnesty program. I understand that **I may not seek a refund, or otherwise challenge the amount of tax paid in the amnesty program** in any court or administrative tribunal.

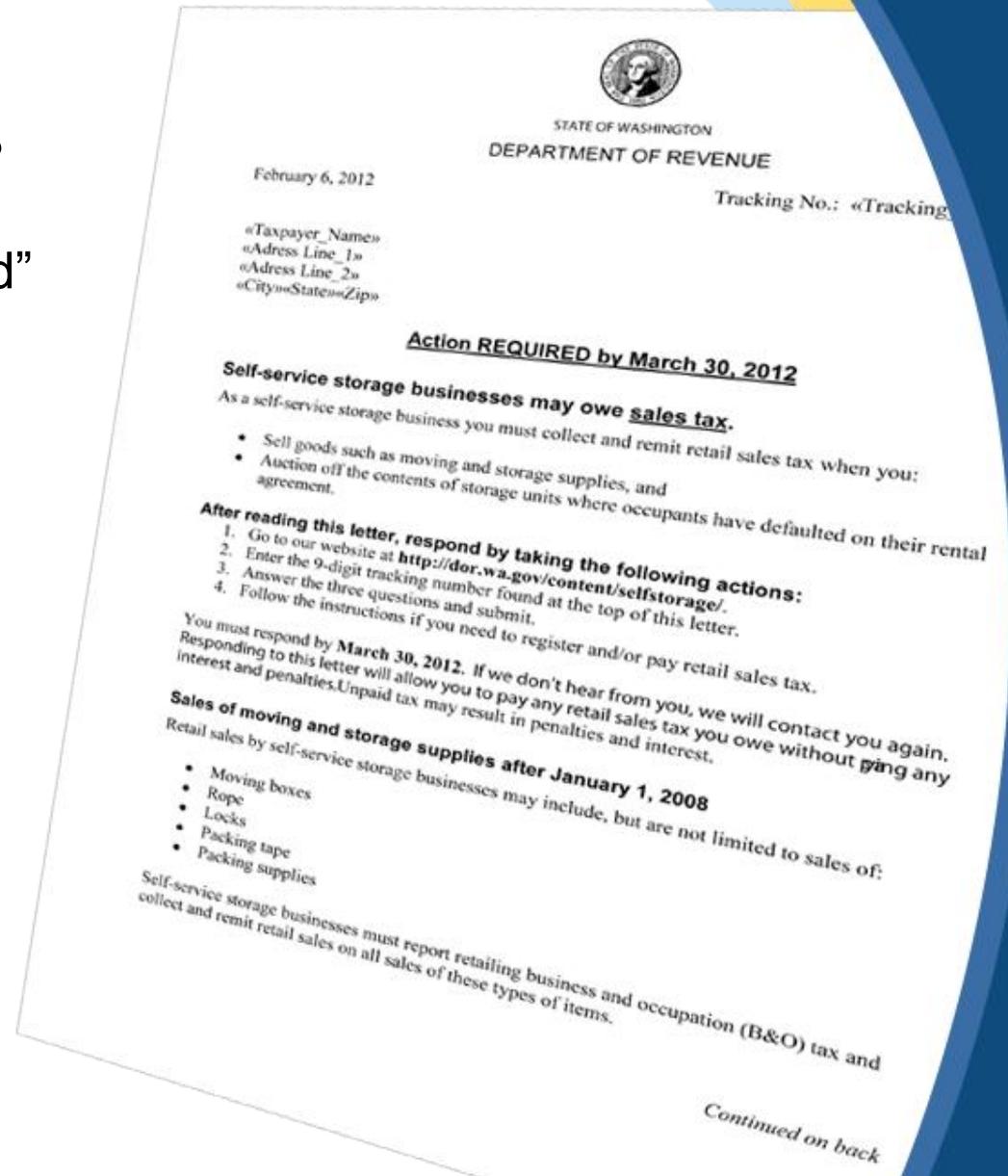
Owner/corporate officer signature (See page 2-Signature) _____ Print name _____ Date _____

For tax assistance or to request this document in an alternate format, visit <http://dor.wa.gov> or 1-800-647-7706. Teletype (TTY) users may call (360) 705-6718.

Targeted Education

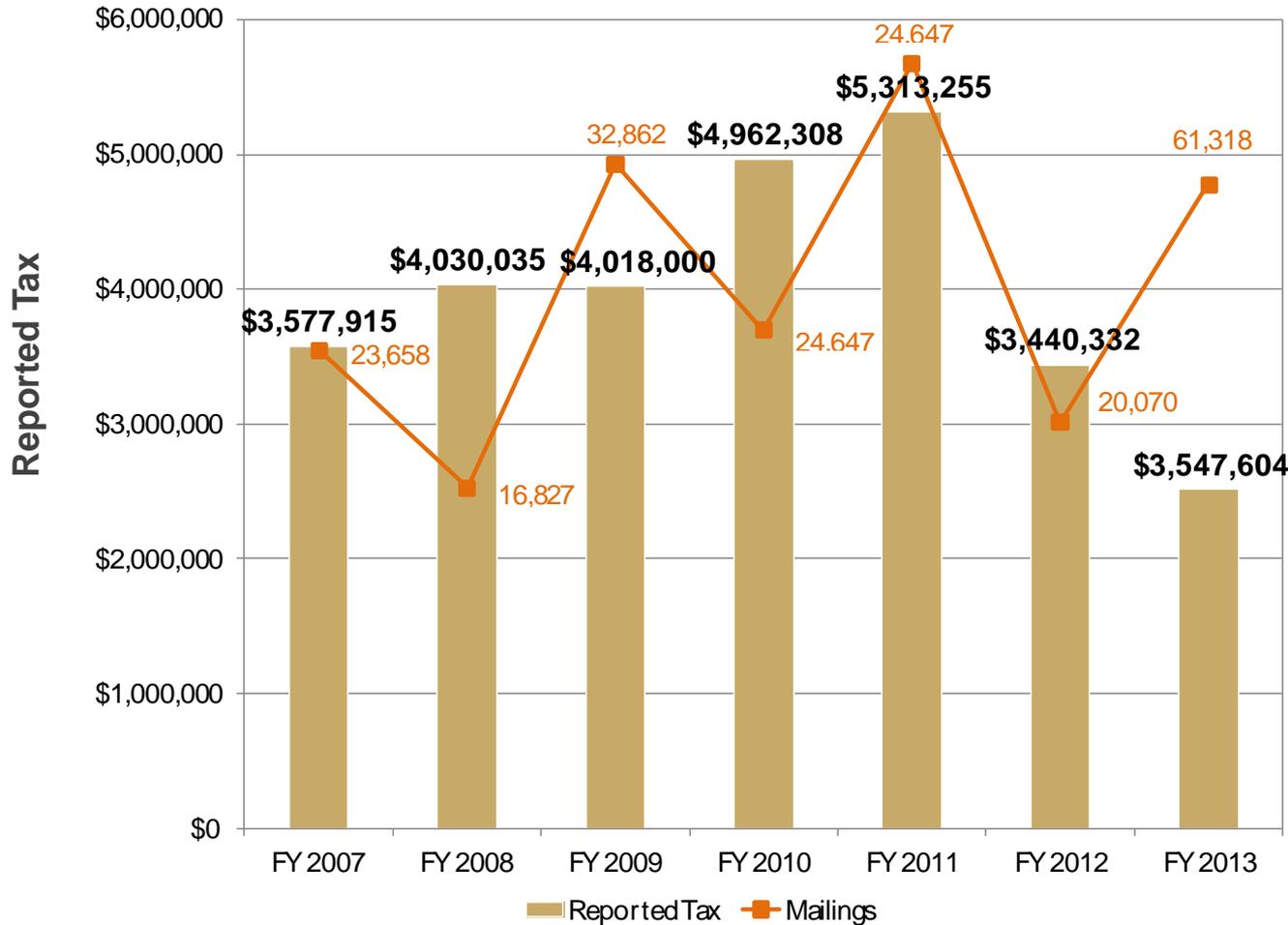
What is Targeted Education?

- An effort to use “plain talked” letters mailed to groups of non-reporters/under-reporters
- The goal is to educate and collect unpaid tax
- The program began more than a decade ago



Results can vary widely

Targeted Education Program Results FY07 to date

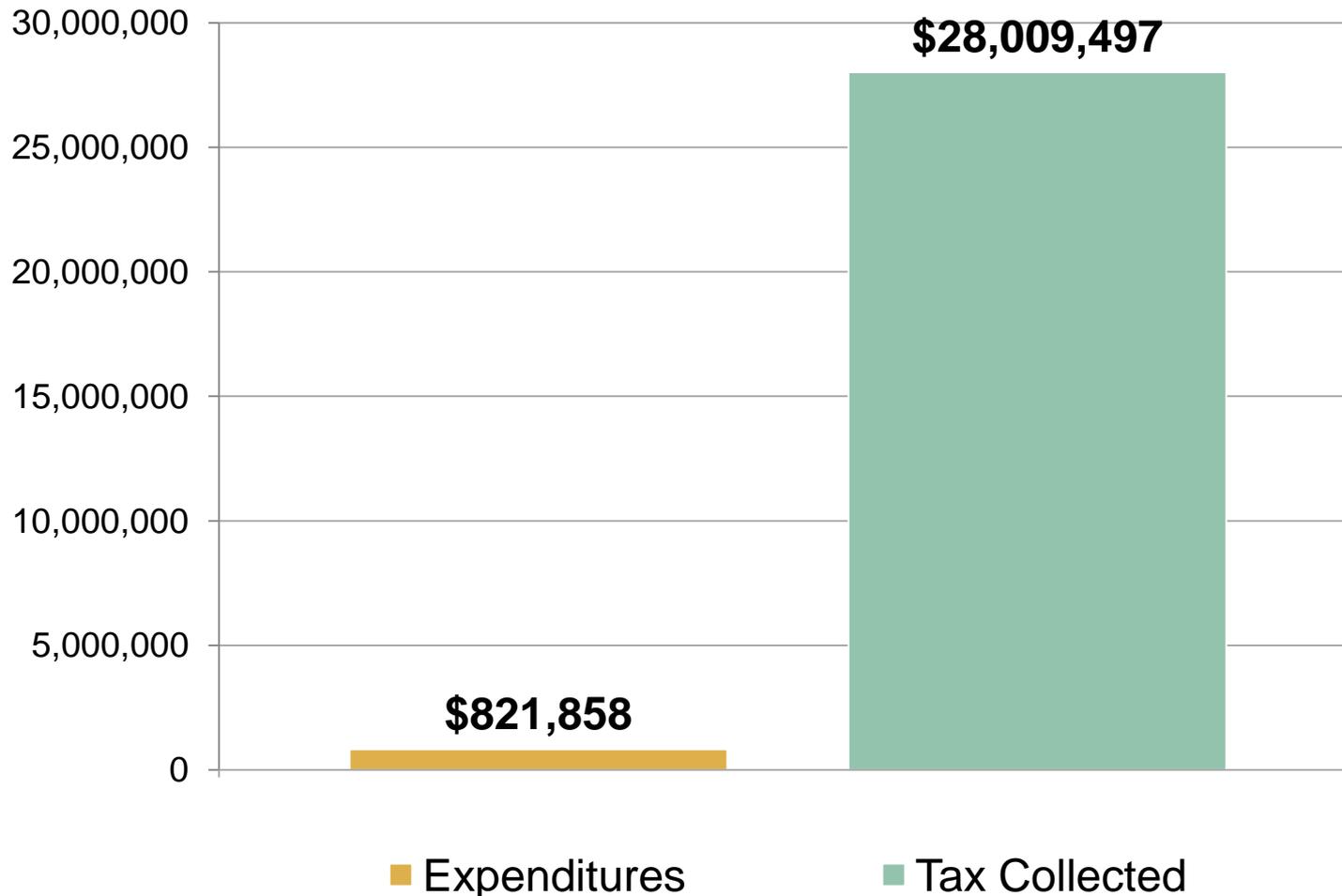


**FY 13 Goal
\$2.9 Million**

of Letters

Return on investment FY07 – FY13

**\$34 to \$1
Return**



Improvements we've made

Included a tax matrix in use tax letters

Use tax estimates

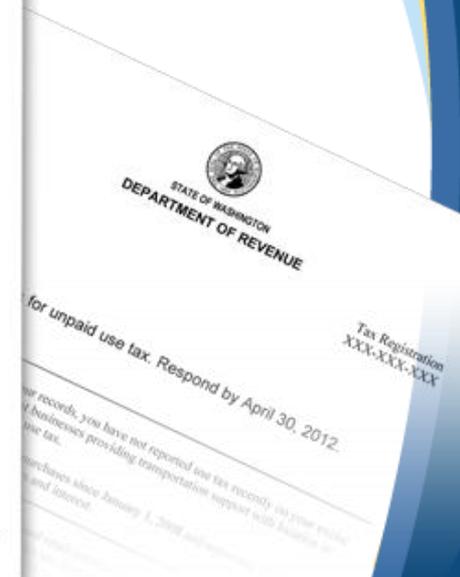
Please take one of these actions:

- Review goods and services acquired since **January 1, 2008** and identify those that were untaxed. (See Tips in the next section.)
- Use the chart below to estimate your use tax liability.

According to our statistics, transportation support businesses report the following average value of items subject to use tax *annually* based on their reported annual gross business income:

Annual Gross Business Income	Annual Average Value of Items Subject to Use Tax
Less than \$1,000,000	\$4,675
\$1,000,000 - \$4,999,999	\$82,633
\$5,000,000 - \$25,000,000	\$91,430
Greater than \$25,000,000	\$1,673,203

To use the chart, multiply the Annual Average Value times the number of years to determine the amount you must report for both state and local use tax on your excise tax return.



Improvements we've made

- Created industry guides to complement the letters
 - ✓ 33 industry guides
 - ✓ Stakeholder work with associations (taxis, insurance, self-storage businesses)
- Used commercial lists from other sources (includes unregistered businesses)

Targeted Education History

Targeted Education combines clear writing techniques with targeted mailings from the Department of Revenue. Targeted mailings are produced using both tax data of registered taxpayers within an industry and other sources outside the Department. Businesses targeted may or may not be registered with the Department. The Department provides businesses within the targeted industry with specific tax information relating to their business activities, thus emphasizing voluntary compliance. The Department considers the information provided to the businesses to be specific written instructions.

The table below provides a listing by programs (targeted industries). The summary provides additional background about how businesses were chosen. Copies of the letter(s) sent and the mailing list are made available in the table.

Program Description	Version	Response Method	Taxes	Program Summary	Letter	2nd Letter	Mailing List
Transportation support activities		Telephone	use tax	summary	1st letter 04/2012		set
Real estate related activities	original letter	Telephone	use tax	summary	1st letter 04/2012		set
Real estate related activities	correction letter sent to businesses with a GSI of less than \$200,000				correction letter		
Tax cabs businesses		none	sales tax	guide, brochure, and video	1st letter 2/2012		set
Self storage businesses		Online landing page	sales tax and B&O tax	summary	1st letter 02/2012		set
Financial businesses		Telephone	use tax	summary	1st letter 12/2011		set
Insurance		Online landing page	use tax	summary	1st letter 12/2011		set
Personal and laundry services		Telephone	use tax	summary	1st letter 10/2011	2nd letter 04/2012	set
Unregistered		Telephone	use tax	summary	1st letter 4/2011	2nd letter 10/2011	set
Truck Haulers	Taxline Valley - 1	Online landing page	use tax, public utility tax	summary	1st letter 2/2011	2nd letter 7/2011	set
Truck Haulers	E. WA - 2	Online landing page	use tax, public utility tax	summary	1st letter 8/2011		set
Truck Haulers	E. WA - 3	Online landing page	use tax, public utility tax	summary	1st letter 10/2011		set
Manufacturers		Telephone	use tax	summary	1st letter 1/2011	2nd letter 5/2011	set
Professional services		Telephone	use tax	summary	1st letter 10/2010	2nd letter 7/2011	set
Contractors, government contractors, public road construction contractors		Telephone	use tax	summary	1st letter 7/2010	2nd letter 6/2011	set
Hotels/Hotels	No GSI	Telephone	sales tax, use tax, and B&O tax	summary	1st letter 4/2010		set
Hotels/Hotels	use tax	Telephone	use tax	education only	1st letter 4/2010		set
Miscellaneous					1st letter 4/2010		set

Improvements we've made

- Developed a “Targeted Education History” SharePoint site
 - ✓ Program description
 - ✓ Response method
 - ✓ What taxes
 - ✓ Copy of the letter
 - ✓ Link to the mailing list
- Emailed agency about mailings

The screenshot shows a SharePoint site titled "Targeted Education History" within a "Taxpayer Information & Education" section. The page contains a table listing various targeted industries and their associated mailings. The table has columns for Program Description, Version, Response Method, Taxes, Program Summary, Letter, 2nd Letter, and Mailing List.

Program Description	Version	Response Method	Taxes	Program Summary	Letter	2nd Letter	Mailing List
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Real estate related activities		Original letter	Telephone	use tax	summary		set
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Financial businesses		Telephone	use tax	summary	1st letter 12/2011		set
Insurance		Online landing page	use tax	summary	1st letter 12/2011		set
Personal and laundry services		Telephone	use tax	summary	1st letter 10/2011	2nd letter 04/2012	set
Wholesalers		Telephone	use tax	summary	1st letter 4/2011	2nd letter 10/2011	set
Truck haulers	Telma Valley - 1	Online landing page	use tax, public utility tax	summary	1st letter 2/2011	2nd letter 7/2011	set
Truck haulers	E. WA - 2	Online landing page	use tax, public utility tax	summary	1st letter 8/2011		set
Truck haulers	E. WA - 3	Online landing page	use tax, public utility tax	summary	1st letter 10/2011		set
Manufacturers		Telephone	use tax	summary	1st letter 1/2011	2nd letter 5/2011	set
Professional services		Telephone	use tax	summary	1st letter 10/2010		set
Dealers, government contractors, public road construction contractors		Telephone	use tax	summary	1st letter 7/2010	2nd letter 7/2011	set
Hotels/Hotels	No DE	Telephone	sales tax, use tax, and S&O tax	summary	1st letter 7/2010	2nd letter 6/2011	set
Hotels/Hotels	use tax	Telephone	use tax	summary	1st letter 4/2010		set
Hotels/Hotels	use tax reminder	Telephone	education only	summary	1st letter 4/2010		set

Keep looking for ways to meet customer needs

- Constantly look for ways to improve processes and procedures
- Look for ways to better drive user behavior
- Keep on top of your customers' changing needs
 - how will they need to get information and services in the future?
- Increase voluntary compliance
- Improve customer satisfaction

Meeting customer needs
=
voluntary compliance

Questions?

