

Table of Contents

Minnesota Department of Revenue

<i>Agency Profile</i>	1
<u>Program</u>	4
Tax System Management	4
<i>Program Narrative</i>	4
<u>Activity</u>	6
Payment and Return Processing	6
<i>Activity Narrative</i>	6
Administration of State Taxes	8
<i>Activity Narrative</i>	8
Appeals, Legal Services and Tax Research	10
<i>Activity Narrative</i>	10
Agency-wide Operations and Oversight	13
<i>Activity Narrative</i>	13
<u>Program</u>	16
Debt Collection Management	16
<i>Program Narrative</i>	16

<https://www.revenue.state.mn.us/>

AT A GLANCE

The Department of Revenue funds Minnesota's future by ensuring accurate, efficient, and secure tax administration. In 2025, Revenue collected nearly \$36 billion across more than 40 different tax types. The agency's work directly supports every major state investment—education, health care, transportation, public safety, environmental stewardship, and more.

Highlights from 2025:

- *Collected \$35.5 billion in state and local taxes that fund essential state and local services*
- *Employed 1,450 people across the state*
- *Processed more than 6.7 million tax returns*
- *Partnered with more than 452,000 businesses to administer sales tax*
- *Assisted more than 3,400 local governments with tax administration*
- *Responded to over 492,000 phone calls and helped another 128,000 customers by email or in-person*
- *Served 9.5 million visitors through our website*

PURPOSE

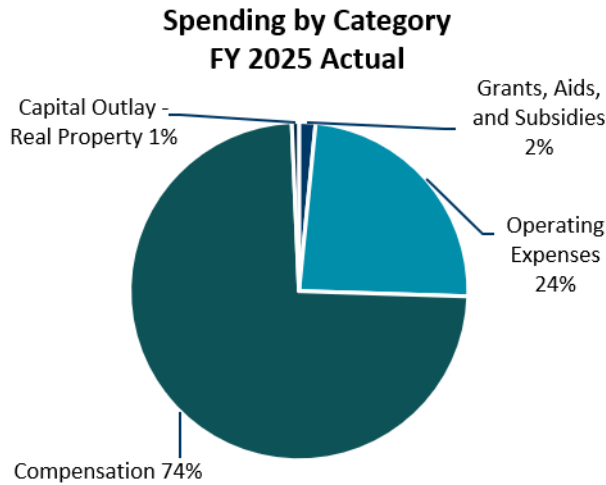
The Minnesota Department of Revenue's mission is *working together to fund the future for all of Minnesota*. The vision—*everyone reports, pays, and receives the right amount: no more, no less*, reflects the agency's commitment to fairness, accuracy, and protection of the state's financial resources.

Revenue works with individuals, businesses, local governments, federal and state agencies, tax professionals, and others to administer more than 40 state and local taxes. The agency collects approximately \$35.5 billion in state and local taxes annually, forming the financial foundation for Minnesota's priorities and public services.

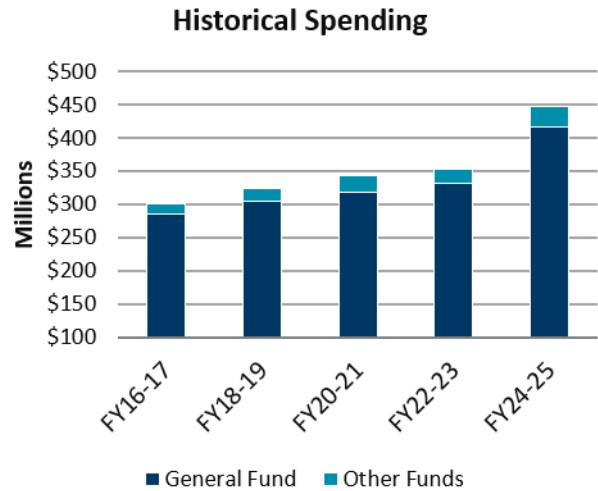
A core component of the agency's work is safeguarding state resources. Revenue has robust systems and processes designed to detect, prevent, and address fraud, ensuring that public funds are protected and that refunds and payments are issued accurately. The agency also collects debt owed to all state agencies and other local governments, oversees the uniform application of property tax laws by local governments, administers state property tax refund and relief programs, and processes state aid payments to counties, cities, towns, and special taxing districts.

Through these responsibilities, the Department of Revenue ensures Minnesota receives the funding necessary to maintain critical services and invest in the future.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

The revenue the agency collects is allocated through the budget process to fund a wide range of state and local programs, including education, health care, roads and bridges, public transit, parks and trails, prisons, public safety, job training, economic development, and local government services. Nearly every Minnesotan utilizes services or programs that are funded by the dollars our agency collects.

The department's budget is organized into two major programs: Tax System Management and Debt Collection Management.

Tax System Management includes these activities:

- Tax Payment and Return Processing
- Administration of State Taxes
- Appeals, Legal Services, and Tax Research
- Detection and mitigation of tax fraud
- Enforcement of tax laws and investigation of tax crimes for prosecution
- Agencywide Operations Support and Oversight

Debt Collection Management collects delinquent tax debts and debts owed to other state agencies. Key activities include:

- Helping customers understand and resolve their state tax and other government agency debts
- Using the collection process when customers do not voluntarily work to resolve their debts

STRATEGIES

The Department of Revenue provides services to a diverse set of customers, including individuals, businesses, local governments, and tribal communities. The agency delivers efficient, equitable, and customer-centered tax administration to support the financial foundation of the state.

The Department of Revenue works to administer the tax code in a way that meets these priorities:

Provide customers with the information, education, and services they need to efficiently navigate Minnesota's tax opportunities and obligations

- Engage in meaningful interaction with its customers to provide superior service, especially to those most impacted by Revenue's work
- Commit to an inclusive culture where individual differences are valued, employees are treated equitably and respectfully, and relationships are strengthened to support effective service to Minnesotans
- Ensure a productive, innovative, healthy, and safe work environment where all employees can thrive
- Confirm employees have the tools and resources necessary to process returns, payments, and refunds accurately and efficiently
- Protect customer data and the security of the agency's technology systems to prevent fraud
- Promote operational efficiencies and leverage technology to protect customer information and to serve customer and employee needs
- Identify and address non-compliance through education and enforcement to ensure fair, efficient, and equitable support of the state's goals
- Assist other agencies with review of potential tax fraud in their programs, strengthening statewide fraud-prevention efforts

[Minnesota Statute 270C.03](#) establishes the Department of Revenue's legal authority.

Program: Tax System Management<https://www.revenue.state.mn.us/>**AT A GLANCE**

In 2025, the Minnesota Department of Revenue's Tax System Management program provided Minnesota resources that fund core public services by efficiently processing payments, issuing accurate refunds, and maintaining strong systems that protect state dollars from fraud.

2025 Highlights:

- *Processed more than 6 million unique tax payments and issued approximately 3.5 million unique tax refunds*
- *Awarded \$2.75 million in grants to 66 organizations that provide volunteer tax assistance services and tax credit outreach to elderly, minority, and low-income communities*
- *Attended 15 military events for nearly 3,000 military service members and families to promote their eligibility for tax benefits*

PURPOSE AND CONTEXT

The Department of Revenue's Tax System Management program provides the technology and professional resources needed to administer tax laws. This program is central to the Department's mission of *working together to fund the future for all of Minnesota* to support statewide priorities.

Tax System Management delivers tax information and education, filing and paying services, property tax and state aid administration, and tax law enforcement.

These Tax System Management activities help ensure that individuals, businesses, and policymakers have:

- Information and services they need to accurately, voluntarily, and conveniently file and pay their taxes, receive their refund, and claim credits they are eligible to receive
- Confidence that everyone reports, pays, and receives the right amount: no more or no less
- Accurate, impartial, and complete information to make informed decisions that impact Minnesota's future

A key component of this program is safeguarding public resources. Through continuous improvements in technology, secure systems, and targeted fraud detection strategies, Tax System Management protects taxpayer information and ensures that refunds and payments are issued accurately.

SERVICES PROVIDED

The Tax System Management program is responsible for collecting approximately \$35.5 billion each year to fund essential services to Minnesotans including: local government and school district aid; services for children, families, and seniors; early childhood, E-12, and higher education; health and human services; transportation; public safety; environmental, energy, and agricultural programs; and many other state priorities. This program ensures Minnesota has the resources needed to invest in its future.

Minnesota's tax system relies on voluntary compliance from millions of taxpayers who depend on the department for education and outreach, reliable filing systems, and confidence in a fair and accurate process. When taxpayers

do not meet their obligations, the agency brings them into compliance through collection, education, and, when necessary, enforcement.

To ensure everyone reports, pays, and receives the right amount, the agency uses audits, internal technologies, and secure communication channels to prevent fraud, protect taxpayer data, and ensure refunds and credits are issued only to the lawful recipients. These efforts maintain public trust and safeguard state dollars.

Revenue provides a variety of services in the Tax System Management program. Specific activities are listed here and are described in more detail in their Budget Activity Narratives:

- Payment and Return Processing
- Administration of State Taxes
- Appeals, Legal Services, and Tax Research
- Agency-wide Operations Support and Oversight

RESULTS

Part A: Performance Data

Measure	Measure type	Measure data source	Historical trend	Most recent data
Incoming customer interactions (includes email, phone, letter, web and walk ins)	Quantity	Department of Revenue internal tracking system	Customer requests vary according to situational factors (pandemic, rebates, etc.)	621,391 in 2025
Customers who file their returns electronically	Quality	Department of Revenue internal tracking system	Most customers file electronically with diminishing increases each year.	92% in 2025
Quality control reviews of processing and payments work by employees	Quantity	GenTax	Number of reviews have been increasing from year-to-year	5,071 in 2025

Part B: Evidence of Effectiveness

Although tax collection itself is not considered an evidence-based practice, the department continuously integrates proven fraud prevention methods, secure technology practices, and nationally recognized compliance strategies to safeguard Minnesota's financial resources. These practices ensure that tax administration remains fair, accurate, and aligned with the department's vision that everyone reports, pays, and receives the right amount.

[Minnesota Statute 270C.03](#) establishes the Department of Revenue's legal authority.

Program: Tax System Management**Activity: Payment and Return Processing**<https://www.revenue.state.mn.us/>**AT A GLANCE**

In 2025, the Payment and Return Processing activity played a foundational role in funding Minnesota's future by ensuring tax payments and returns were processed accurately, securely, and efficiently. This work is central to the Department's vision of *everyone reports, pays, and receives the right amount: no more, no less* and supports the agency's commitment to protecting state dollars through strong fraud prevention tools and processes.

2025 Highlights:

- *Processed 3.5 million individual income tax returns*
- *Sent almost 2.4 million individual income tax refunds to Minnesotans*
- *Opened and sorted 1.2 million pieces of mail*
- *Served businesses with 68,023 calls to Business Registration*
- *Sent over 3.2 million pieces of mail to Minnesotans to help them meet their tax obligations*
- *Processed 31 business tax type returns during the processing cycle*

PURPOSE AND CONTEXT

Payment and Return Processing serves individuals, businesses, and state agencies by reviewing and processing paper and electronic tax returns, payments, and refunds. This work ensures Minnesota receives the revenue needed to fund education, health care, transportation, public safety, environmental protection, and other core state priorities.

This activity directly supports the department's mission of *working together to fund the future for all of Minnesota*. By verifying tax returns and payments, Payment and Return Processing ensures that every taxpayer pays the correct amount — *no more, no less* — and that refunds are issued only when accurate.

A major component of this work is protecting state dollars and taxpayer information. This activity includes departmentwide technology development and support and using secure systems that verify accuracy and stop fraudulent returns from being processed. Protections like these preserve Minnesotans' trust in the tax system and ensure public funds remain safe and available for their intended purposes.

SERVICES PROVIDED

Key Payment and Return Processing activities include:

- Providing safe, secure, and convenient ways for taxpayers to file and pay
- Accurately reviewing and processing returns, payments, and refunds
- Checking returns and payments to stop fraudulent filings and prevent fraudulent refunds
- Processing payments, deposits and refunds quickly to ensure timely funding of state programs and minimize tax refund interest
- Developing and maintaining technology that supports tax administration, enhances security, and improves taxpayer services
- Keeping pace with changing technology and emerging fraud schemes to protect state resources

Strategic investments in technology allow this activity to successfully carry out the department’s mission and vision. Enhancements to the Integrated Tax System, security upgrades, and digital filing improvements reinforce taxpayer confidence and ensure the system is both reliable and secure. These investments are critical as taxpayers are less likely to voluntarily comply if they do not trust the security of our systems.

This work also includes alerting the public to emerging scams, protecting taxpayer data, and ensuring that all payments are accurate while preventing fraudulent payments or returns. These efforts directly support Minnesota’s financial stability and ensure public dollars are protected.

Payment and Return Processing also deliver technology and operational support to all Department of Revenue employees and external customers. New initiatives from the last biennium include:

- Advanced Child Tax Credit payments
- Adding the Renter’s Credit to the individual income tax filing process
- Continued enhancements to e-Services such as providing access to individual taxpayers so they are able to make payments, review payment history, and keep up to date on the current status of their individual income taxes

Information Technology services are provided under a service agreement with Minnesota IT Services (MNIT). MNIT supports all department staff and external customers by providing hardware, software, and IT expertise that enable secure tax administration, protect taxpayer data, and promote continuous improvement in taxpayer services.

RESULTS

Part A: Performance Data

The following measures demonstrate how Payment and Return Processing supports Minnesota’s financial foundation by ensuring the accurate, timely, and secure processing of returns and payments, while maintaining strong protections against fraud.

Measure	Measure type	Measure data source	Historical trend	Most recent data
C-Corporation, Partnership, Fiduciary, and S Corporation electronic returns posted within 30 days	Quality	GenTax	Averages in 90% in recent years	87% in 2025
Printing, folding, and inserting services completed within 1 day of receipt	Quality	GenTax	100% within 1 day in recent years	100% in 2025
Down time of the Integrated Tax Management System services to external customers (e-Services)	Quality	GenTax	Down time has remained around 1% in recent years	1.7% in 2025

Part B: Evidence of Effectiveness

Payment and Return Processing is a core government function essential to funding state operations. While it is not categorized as an evidence-based practice, the program continually incorporates proven fraud prevention approaches, secure technology practices, and nationally recognized standards for payment processing and data protection. These practices support the department’s mission and vision by ensuring taxpayers pay, report, and receive the right amount, and by protecting state dollars from fraud.

[Minnesota Statute 270C.03](#) establishes the Department of Revenue’s legal authority.

Program: Tax System Management

Activity: Administration of State Taxes

<https://www.revenue.state.mn.us/>

AT A GLANCE

In 2025, the Department of Revenue's tax administration divisions played a critical role in funding Minnesota's future by ensuring accurate, fair, and secure administration of more than 40 state and local taxes. These divisions upheld the department's vision that *everyone reports, pays, and receives the right amount: no more, no less*, while protecting state dollars through strong fraud-prevention, compliance, and enforcement activities.

2025 Highlights:

- *Criminal Investigations completed the investigation of 38 tax noncompliance cases*
- *Corporate Franchise Tax answered 15,928 total calls, 99% of which were answered in under 2 minutes*
- *Sales and Use Tax handled 40,121 phone calls, 14,371 emails and 4,128 web messages*
- *Sales and Use Tax handled 242 Voluntary Disclosure Agreements recovering \$13 million*
- *Income Tax and Withholding handled 236,596 phone calls, 65,799 emails and 4,748 web messages from taxpayer requests*
- *Special Taxes completed 1,256 outreach trainings, stamp sales transactions, and customer surveys*

PURPOSE AND CONTEXT

State tax administration provides Minnesota revenue to fund essential public programs. These activities directly support the department's mission of *working together to fund the future for all of Minnesota*.

Tax administration provides clear information, training, services, and support, so taxpayers understand their obligations and can identify tax credits and benefits available to them. This work also includes strong enforcement activities including fraud prevention, audits, and investigations. These compliance enforcement activities promote voluntary compliance, protect taxpayer data, and safeguard Minnesota's financial resources. Preventing fraud is central to preserving trust in the tax system and ensuring public funds remain available to support statewide priorities.

The Department of Revenue administers more than 40 state taxes. These include individual income tax, sales and use tax, local taxes, cannabis tax, corporate franchise tax and other business income taxes, estate tax, motor fuels excise tax, alcoholic beverage taxes, cigarette tax and tobacco products tax, controlled substances tax, property tax, mortgage registry tax and deed transfer tax, lawful gambling taxes, insurance premium taxes, MinnesotaCare taxes, mining taxes, state property tax, air flight property tax, rural electric co-ops tax, and solid waste management tax.

State tax administration serves Minnesota individual and business taxpayers, tax professionals and preparers, local tax administrators, legislators and staff, nonprofit groups, governor and staff, and members of the news media – among others. All Minnesotans experience the benefit of effective tax administration through the public programs the taxes fund and the assistance it provides to local governments.

The department also oversees local property tax administration and state aids. These activities promote equity, uniformity, and consistency across Minnesota's complex property tax system, ensuring that communities across the state receive fair and accurate support.

SERVICES PROVIDED

Key tax administration activities include:

- Providing customers information, training, and services to understand how to receive refunds, tax credits, and benefits they qualify for, and to voluntarily comply with tax laws by calculating and paying exactly what they owe
- Keeping pace with changing laws, technology and emerging fraud schemes
- Responding to customer inquiries in the manner the taxpayer prefers: walk-in, phone, email and other digital channels
- Protecting customer data and the integrity of Minnesota's tax system
- Identifying and auditing noncompliant individual and business taxpayers to promote voluntary compliance and verify everyone pays the right amount
- Utilizing enforcement measures to prevent fraud and communicate new risks and prevention strategies
- Providing education, guidance, and assistance to county assessors, auditors, and treasurers
- Overseeing local property tax administration to promote compliance and uniformity
- Administering a range of local aid payments
- Collecting, analyzing, and providing data to stakeholders
- Supporting the Minnesota State Board of Assessors

Through these activities, tax administration ensures that Minnesota's tax system remains fair, secure, efficient, and capable of generating the revenue needed to support statewide programs today and in the future.

RESULTS

Part A: Performance Data

The following measures demonstrate the effectiveness of tax administration activities in supporting voluntary compliance, protecting state resources, and ensuring Minnesota receives the revenue needed to fund essential services.

Measure	Measure type	Measure data source	Historical trend	Most recent data
eCRVs processed (Electronic Certificate of Real Estate Value)	Quantity	GenTax	This data varies according to situational factors (pandemic, rebates, etc.)	108,482 in 2025
Criminal cases charged out by prosecutors	Results	Department of Revenue internal tracking system	With small fluctuations, has remained level over the last several years.	41 in 2025
Special Taxes unique tax types	Quantity	GenTax	This number has remained level over the last several years	4
Sales and Use Tax classes conducted	Quantity	Department of Revenue internal tracking system	This number has increased over recent years	36
Corporate Franchise Tax outreach and educational events	Quantity	Department of Revenue internal tracking system	This number varies according to situational factors	14

Part B: Evidence of Effectiveness

State tax administration is an essential government function required to fund Minnesota's operations. Although it is not categorized as an evidence-based practice, the Department of Revenue consistently integrates proven fraud-prevention methods, secure technology practices, and nationally recognized standards for tax administration. These practices support the mission and vision by ensuring taxpayers pay, report, and receive the right amount while safeguarding state dollars.

[Minnesota Statute 270C.03](#) establishes the Department of Revenue's legal authority.

Program: Tax System Management**Activity: Appeals, Legal Services, and Tax Research**<https://www.revenue.state.mn.us/>**AT A GLANCE**

In 2025, Appeals, Legal Services, Disclosure, and Tax Research supported Minnesota's tax system by ensuring clear guidance, accurate analysis, and fair resolution of tax matters. These activities strengthened the integrity of Minnesota's tax laws, protected state dollars, and upheld the department's vision that *everyone reports, pays, and receives the right amount: no more, no less.*

2025 Highlights:

- *Closed 959 administrative appeals, 3.0% of which were appealed to court*
- *Worked on 82 cases filed in small claims and Tax Court*
- *Completed on-time Revenue Analyses for 99.6% of the bills heard in tax committees*
- *Prepared 646 Revenue Analyses*

PURPOSE AND CONTEXT

The Appeals, Legal Services, and Disclosure division and Tax Research division provide the legal, analytical, and policy foundation necessary for Minnesota's tax system to function fairly, accurately, and consistently. Their work ensures the Department of Revenue can fulfill its mission of *working together to fund the future for all of Minnesota* while protecting state resources through sound legal guidance, rigorous analysis, and transparent appeals processes.

These divisions develop tax policy, interpret tax law, resolve disputes, conduct legal reviews, guide data-sharing compliance, and provide revenue analysis essential to legislative decision-making. Together, they help ensure the tax system operates in a manner that supports voluntary compliance, prevents fraud, and safeguards taxpayer information.

These divisions serve individual and business taxpayers, tax professionals, local administrators, legislators and staff, the Governor's Office, state agencies, nonprofit organizations, and the public. Their work promotes fairness across Minnesota's tax system, ensures accurate information is available to policymakers, and supports the department's commitment to ensuring *everyone reports, pays, and receives the right amount.*

SERVICES PROVIDED**Appeals, Legal Services, and Disclosure Division**

This division includes Appeals, Legal Services, and Disclosure and Records Management. Collectively, their efforts help protect taxpayer rights, ensure due process, prevent fraud, and provide legal clarity across tax administration.

Appeals

The Appeals unit provides an informal, accessible forum for taxpayers to dispute audit determinations, refund denials, and penalties. These activities reinforce fairness in the tax system and help maintain confidence in Minnesota's tax administration.

Key activities include:

- Offering taxpayers a pathway to resolve disputes administratively or through Tax Court or District Court
- Providing feedback about appeal resolutions to the department's audit and collection divisions to improve future processes
- Working with the Attorney General's Office staff on cases that are litigated in court
- Handling small claims cases filed in Tax Court

Legal Services

Legal Services ensures Minnesota's tax system remains fair, reliable, and consistent while supporting the department's goal of protecting state dollars and ensuring accuracy.

Key activities include:

- Draft tax-related legislation and testify before legislative committees about the legal aspects of each bill
- Draft and amend Minnesota Rules that interpret tax laws so they can be applied to everyday use
- Create Revenue Notices that advise taxpayers about the department's position regarding tax laws
- Advise department staff, division policy teams, and executive leadership
- Provide training on tax law changes and legal topics

These activities guide tax policy development and help build a system where taxpayers understand their obligations and can confidently comply.

Disclosure and Records Management

This unit protects taxpayer data, one of the department's most critical fraud-prevention responsibilities, and ensures the integrity of the information used to fund Minnesota's programs.

Key activities include:

- Ensuring compliance with state and federal requirements for tax returns and tax information
- Guiding record retention practices across the department
- Directing responses to data practices requests for department information
- Drafting legislation regarding disclosure issues and ensures all data-sharing between agencies and other partners maintain those requirements

Facilitating the relationship and ensuring compliance with IRS Federal Tax Information (FTI) and Social Security Administration requirements

Tax Research Division

Tax Research provides accurate, timely, and comprehensive data and analysis that allow policymakers to make well-informed decisions about Minnesota’s tax structure and future investments.

Key activities include:

- Providing policy guidance
- Estimating the impacts of proposed legislation
- Forecasting future state revenues
- Preparing studies and reports mandated by the Legislature
- Maintaining tax data models and major analytical products, such as the Tax Incidence Study, Tax Expenditure Budget, Tax Handbook, and annual tax statistics

These analyses help Minnesota anticipate future needs, ensure tax policies are fair and effective, and provide clarity to taxpayers and decision-makers.

RESULTS

Part A: Performance Data

These measures demonstrate how Appeals, Legal Services, and Tax Research contribute to a fair, accurate, and transparent tax system—protecting taxpayer rights, supporting legislative decision-making, and reinforcing the department’s commitment to ensuring everyone pays the right amount.

Measure	Measure type	Measure data source	Historical trend	Most recent data
Customers who resolved their appeal with the department without appealing to Tax Court	Quality	Department of Revenue internal tracking system	This metric has stayed relatively static in recent years.	97.0% in 2025
Number of legal opinions issued to department staff	Quantity	Department of Revenue internal tracking system	This data fluctuates from year-to-year.	153 in 2025
Data Practices requests	Quantity	Department of Revenue internal tracking system	This metric has increased in recent years.	89 in 2025

Part B: Evidence of Effectiveness

Legal services, appeals administration, disclosure compliance, and tax research are essential government functions necessary for maintaining a fair and effective tax system. While not categorized as evidence-based practices, these activities incorporate nationally recognized legal standards, trusted analytical methods, and proven data-security practices. These support the department’s mission to fund Minnesota’s future and to ensure taxpayers report, pay, and receive the right amount while safeguarding public dollars.

[Minnesota Statute 270C.03](#) establishes the Department of Revenue’s legal authority.

Program: Tax System Management**Activity: Agencywide Operations and Oversight**<https://www.revenue.state.mn.us/>**AT A GLANCE**

In 2025, Agencywide Operations and Oversight strengthened the foundation that allows the Department of Revenue to fund Minnesota's future and protect the integrity of the tax system. These efforts supported secure operations, enhanced taxpayer access, and ensured efficient administration aligned with the department's vision that *everyone reports, pays, and receives the right amount: no more, no less*.

2025 Highlights:

- Improved the nation-leading child tax credit by adding first-in-the-nation advanced payments, with the credit impacting more than 445,000 children and returning \$562 million to Minnesota families
- Worked to enhance the state's integrated tax management system to be more secure, accessible, and user-friendly for individuals and businesses, and additional self-service options for taxpayers
- Implemented cost-saving efficiencies by centralizing administrative services and shared resources across the agency

PURPOSE AND CONTEXT

Agencywide Operations and Oversight is the governance program that ensures program integrity and business results. It oversees financial accountability, safeguards and maintains agency technology systems, supports taxpayers who need assistance, and recruits and develops the people who administer the state tax system that generates over \$35.5 billion in revenues each year.

This activity supports every internal and external partner including department employees, individual and business taxpayers, tax administrators, tribal governments, state agencies, local governments, nonprofit organizations, and policymakers by maintaining secure systems, coordinated operations, and transparent administration of the tax system. These functions ensure that the foundational elements of Minnesota's tax administration operate reliably and consistently, enabling customers to receive clear information, accurate processing, and equitable treatment across all tax types and service channels.

The work of the Agency-wide Operations and Oversight activity ensures that the department operates efficiently, ethically, and in full compliance with state and federal requirements. Through strong internal controls, agencywide oversight, strategic leadership, and continuous investment in secure technology systems, this activity strengthens the department's ability to protect taxpayer information, prevent fraud, and steward public resources responsibly. These efforts directly support the department's broader program integrity responsibilities, including detecting and mitigating tax fraud, safeguarding state assets, and ensuring that refunds, payments, and tax administration activities are delivered accurately, securely, and consistently.

Together, these functions form the operational foundation that allows Revenue to administer more than 40 tax types, support 452,000 businesses, assist thousands of local governments, and serve millions of customers across digital and in-person channels.

SERVICES PROVIDED

The Agencywide Operations and Oversight activity delivers the core internal services that allow the Department of Revenue to operate a secure, accurate, and customer-centered tax system. These services strengthen program integrity, protect taxpayer data, and ensure employees have the tools, training, and resources needed to deliver consistent, equitable service across Minnesota.

Strategic Leadership, Governance, and Internal Controls

- Provides agencywide planning, direction setting, and coordination to ensure all tax administration functions operate consistently and support the department's mission
- Maintains internal controls, risk management practices, and compliance systems that safeguard state resources and prevent fraud
- Oversees financial and program accountability through internal audit activities, policy development, and operational monitoring

Financial and Operational Stewardship

- Manages budget planning, allocation, and monitoring to ensure responsible stewardship of public funds
- Oversees revenue collection, disbursements, refunds, and financial reporting with accuracy and transparency
- Supports enterprise project management and continuous improvement efforts that increase efficiency and reduce administrative burden

Secure Technology and Data Protection

- Partners with MNIT Revenue to maintain stable, secure, and accessible tax administration systems used by millions of Minnesotans each year
- Implements cybersecurity safeguards, system monitoring, and technology strategies that protect sensitive taxpayer information and support fraud prevention efforts
- Ensures business continuity and disaster recovery readiness for critical systems

Customer-Centered Communication and Service Infrastructure

- Manages internal and external communications to ensure taxpayers have clear, timely, and accurate information
- Supports digital platforms, service channels, and user-focused content that help customers navigate tax obligations and access services effectively
- Conducts research, performance analysis, and reporting to identify service needs and improve customer experience

Workforce Management and Organizational Support

- Oversees recruitment, hiring, job classification, compensation, and labor contract administration
- Supports employee training, development, and continuous learning to ensure staff can deliver accurate tax administration and strong customer service
- Maintains programs that promote an inclusive, productive, and safe work environment

These services work together to reinforce the integrity of Minnesota's tax system and support the department's ability to administer more than 40 tax types, protect taxpayer information, assist customers statewide, and fund Minnesota's future.

RESULTS

Part A: Performance Data

These measures reflect how Agency-wide Operations and Oversight supports strong internal systems, secure operations, and effective communication while reinforcing the department's ability to protect state dollars and serve taxpayers effectively.

Measure	Measure type	Measure data source	Historical trend	Most recent data
Website visits (yearly)	Quantity	Website visits (yearly)	Website visits have remained consistent over recent years.	9.5 million in 2025
Social media followers (Facebook and Twitter)	Quantity	Social media sites	Followers have been increasing, with an almost 50% increase in recent years.	19,178 across various platforms in 2025
Subscribers to email subscription lists	Quantity	Department of Revenue internal tracking system	Subscriber rates fell in recent years	979,000 in 2025
Press Releases Published	Quantity	Department of Revenue public website	This is the first year this number hasn't increased in recent years.	48 in 2025
Press inquiry responses	Quantity	Department of Revenue internal tracking system	Stable compared to previous years	130 in 2025
Individual and business tax forms created and maintained	Quantity	Department of Revenue internal tracking system	Tax forms created and maintained have increased in recent years.	212 in 2025
Fiscal note requests received	Quantity	Department of Revenue internal tracking system	Fiscal note requests have been increasing each year	79 in 2025

Part B: Evidence of Effectiveness

Agency-wide operations and oversight is a foundational government function essential to maintaining secure, efficient, and compliant tax administration. While not categorized as an evidence-based practice, the program uses nationally recognized operational standards, cybersecurity protocols, financial controls, and workforce management practices that support the department's mission to fund Minnesota's future and protect public resources.

[Minnesota Statute 270C.03](#) establishes the Department of Revenue's legal authority.

Program: Debt Collection Management<https://www.revenue.state.mn.us/>**AT A GLANCE**

In 2025, the Minnesota Department of Revenue's Debt Collection Management program played a key role in funding Minnesota's future by recovering past-due tax debts and other state and local government debts. This work ensures fairness, reinforces voluntary compliance, and protects public dollars—supporting the department's vision that *everyone reports, pays, and receives the right amount: no more, no less*.

2025 Highlights:

- *Collected over \$562 million owed to Minnesota governments*
- *Answered over 190,251 incoming phone calls from customers*
- *Responded to more than 5,040 web messages and 38,644 emails from customers*
- *Responded to nearly 13,000 letters from customers*
- *Assisted more than 1,400 in-person customers*

PURPOSE AND CONTEXT

The Department of Revenue's Debt Collection Management program collects past-due tax debts and debts owed to other state agencies in Minnesota and performs all aspects of debt collection for other agencies centralizing this work. The Department of Revenue provides an efficient, fair, and secure process for debt recovery that protects state resources and strengthens Minnesota's financial future.

This centralized model also benefits customers, giving them a single point of contact to resolve multiple debts owed to different agencies. The department helps customers understand their obligations, establish payment agreements when appropriate, and supports them in meeting their responsibilities ensuring *everyone pays the right amount* to strengthen voluntary compliance.

The department began collecting non-tax debts for state agencies in 1995 and expanded to local government debts in 2008. Today, the agency collects 238 types of debts on behalf of other agencies, reinforcing statewide efficiency, fiscal responsibility, and good stewardship of public dollars.

Collecting outstanding debt is an essential part of the department's mission to *fund the future for all of Minnesota*. Resolved debts support schools, roads, public safety, human services, and other vital programs statewide.

SERVICES PROVIDED**Helping Customers**

A significant part of Debt Collection Management is helping customers understand their obligations and supporting them in becoming and staying compliant. Clear communication and accessible outreach are essential for voluntary compliance and fairness.

To do that, the department provides education and outreach to customers through:

- Training events
- Outreach events
- Videos
- Website content
- Phone calls
- Emails
- Letters
- In-person customer contact

These services help ensure customers receive accurate information and understand the steps needed to resolve their debt.

Collection Process

When a debt is not paid to Minnesota, whether it be a state agency, or a local jurisdiction, that debt is referred to the Department of Revenue. The collection process is designed to be fair, consistent, and transparent, supporting both the taxpayer experience and the protection of state dollars.

The agency begins by sending a notice describing the debt, the customer's rights, and available options. Most customers work with Revenue at this stage to resolve their debt through payment or a payment agreement.

When customers do not respond, the agency uses appropriate and legally-required collection actions. Each case is different, and actions depend on the circumstances. These may include:

- Levying wages or financial accounts
- Filing liens against property
- Offsetting (taking) tax or other refunds
- Holding owners or corporate officers personally liable for business debts
- Revoking professional or business licenses
- Seizing business or personal property

Every step reinforces the principle that *everyone pays the right amount: no more, no less*.

Ensuring Accuracy, Fairness, and Protection of State Dollars

Department of Revenue ensures compliance and protects taxpayer data by:

- Sending letters, processing payments and returns, registering customers in our system, making financial adjustments, and handling and distributing incoming correspondence
- Reconciling accounts and issuing payments to banks, the general fund, and other agencies
- Issuing legal opinions, providing representation on legal matters, resolving internal and tax court appeals and administrative hearings
- Programming the technical systems needed to track and process debts
- Protecting customer data
- Communicating and reaching out to the public through direct and digital communication and in the news media

These efforts protect state revenue, maintain fairness, and uphold public trust.

RESULTS

Part A: Performance Data

The following measures show how Debt Collection Management supports Minnesota's financial stability by recovering outstanding debt, ensuring fairness, and protecting taxpayer dollars.

Measure	Measure type	Measure data source	Historical trend	Most recent data
Tax Debt Revenue Collected	Quantity	GenTax	Revenue has collected an increasing amount of tax debt revenue in recent years.	\$512.9 million in 2025
Other Agency Debt Revenue Collected	Quantity	GenTax	Revenue has collected an increasing amount of other agency tax debt revenue in recent years.	\$49.9 million in 2025
Tax Debts Resolved	Quantity	GenTax	Revenue has resolved an increasing number of tax debts in recent years.	274,444 in 2025
Other Agency Debts Resolved	Quantity	GenTax	Revenue has resolved an increasing number of other agency debts in recent years.	135,891 in 2025

Part B: Evidence of Effectiveness

Debt collection is a core government function essential to funding state operations. While not categorized as an evidence-based practice, the program incorporates proven compliance strategies, secure data practices, and nationally recognized collection standards. These support the department's mission to fund Minnesota's future and ensure every taxpayer pays the right amount while safeguarding public funds.

[Minnesota Statute 16D.08](#) establishes the Department of Revenue's Collection Duties and Powers.