



BIENNIAL

Wisconsin Department of Revenue | 2023-2025



State of Wisconsin • DEPARTMENT OF REVENUE

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Tony Evers Governor **David M. Casey** Secretary of Revenue

October 15, 2025

The Honorable Tony Evers Governor of Wisconsin 115 East State Capitol Madison, WI 53707

Senate Chief Clerk Cyrus Anderson P.O. Box 7882 Madison, WI 53707

Assembly Chief Clerk Edward A. Blazel 17 West Main Street, Room 401 Madison, WI 53703

Dear Governor Evers and members of the Wisconsin State Legislature:

The Wisconsin Department of Revenue respectfully submits its 2023-2025 biennial report. This report provides an overview of the agency's operations, accomplishments during the biennium, and goals for the 2025-2027 biennium.

In the upcoming biennium, I will promote the agency's goals, which are:

Administer and implement 2025-2027 statutes

M. Casey

- Drive innovation through data-based decisions and solutions
- Provide excellent customer service and positive customer interactions
- Drive continuous workforce development

We will work to wisely use taxpayer dollars in operating the agency in a manner to effectively serve all the taxpayers, partners, and customers we are privileged to serve.

Sincerely,

David Casey

Secretary of Revenue

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Secretary's Message

This biennium, the Wisconsin Department of Revenue (DOR) built upon our cultural and technology foundations to deliver excellent customer service and value for Wisconsin taxpayers. We made continual progress on our vision of being the premier state agency in providing innovative and accessible resources and exceptional customer service. From our impressive customer service statistics to our remarkable lottery sales, DOR continues to lead the way for state tax agencies across the country.

We have continued to build on DOR's history of innovation through data-driven technology solutions and adoption of cloud technologies to be more agile and efficient. This report documents our continued efforts to provide taxpayers, customers, and local governments with helpful and up-to-date information.

Most importantly over this biennium, DOR made a concerted effort to support statutory changes in the areas of local government revenue sharing and finance, alcoholic beverages, and repealing personal property tax. These changes required input from various DOR experts to ensure clarity of the statute and a successful implementation. Following the Legislature's passage of the statutes and Governor Evers' signature, DOR worked through the second half of the biennium to implement these changes.

DOR's innovation and ability to quickly and accurately implement statutory changes are based upon our culture and our values. This biennium we lived our values and delivered positive results to citizens of Wisconsin.

Knowledge

 DOR experts use their deep knowledge of Wisconsin statutes to guide taxpayers, local government officials, and other stakeholders to solutions that best serve Wisconsin citizens.

Inclusivity

 DOR recognizes different perspectives bring a variety of understanding to complex tax and finance problems. We bring these perspectives to bear internally, and we meet with our diverse customers and statkeholders to better understand their concerns.

Security

 Securing personal tax information and preventing fraudulent activity are paramount to DOR operations. This biennium, we prevented over \$500 million in fraudulent refund activity.

Empathy

• DOR customer service routinely exeeds 98% customer satisfaction, and this is most often due to our empathetic approach to taxpayer issues. We value each and every taxpayer's situation and work to resolve issues with that in mind.

Integrity

Accuracy, consistency, and clarity are essential to DOR's reputation for high integrity. This
biennium we worked across the agency to create trust with our stakeholders through
outstanding service.

Innovation

 Core to DOR's success, our drive to innovate moves us forward. This biennium we piloted data-based decisioning, artificial intelligence, and document management solutions, and we look foward to expanding these in the coming years.



Secretary of Revenue

DAVID CASEY



Wisconsin Department of Revenue

- Administers the state's major tax laws, including the collection of individual income taxes, sales taxes, corporate income taxes, and excise taxes
- Assists local governments in property assessment and financial management
- Administers programs that provide state financial aid to local governments
- Estimates state revenues and forecasts state economic activity
- Helps formulate state tax policy
- Administers the Wisconsin Lottery, which provides property tax relief for homeowners
- Administers the Unclaimed Property program for property that becomes unclaimed or abandoned after a period of time
- Administers the state's regulation of alcohol beverage permits, licensing, and enforcement



DOR Divisions/Offices



SECRETARY'S OFFICE

Overall management and administration, including inter-agency relations, policy development, and public information.



STATE AND LOCAL FINANCE

Administration of property tax system and shared revenue, and oversight of tax incremental finance, real estate transfer fee, and assessor certification and education programs.



TECHNOLOGY SERVICES

Administration of technology services, including data administration, applications development, workstation support, data collection, and technology planning.



RESEARCH AND POLICY

Provides detailed analyses of fiscal and economic policies, assesses the impact of current and proposed tax laws, prepares official general fund tax revenue estimates, and develops various statistical reports.



GENERAL COUNSEL

Represents and advises the department, and provides a level of internal appeals.



INCOME, SALES AND EXCISE TAX

Administration of individual income, employee withholding, corporate franchise/income, state and county sales and use, estate, excise, recycling, and other tax programs.



ENTERPRISE SERVICES

Human resources, financial management, and budget services.



ALCOHOL BEVERAGES

Regulation and enforcement of Wisconsin's alcohol beverages industry.



WISCONSIN LOTTERY

Management and administration of the Wisconsin Lottery.

The Wisconsin Department of Revenue developed the following goals reflecting outcomes it sought to achieve during the 23-25 biennium:

- Administer and implement 2023-2025 statutes
- Promote innovation through data-based decisions and solutions
- Provide excellent customer service and positive customer interactions
- · Drive continuous workforce development



Created the Division of Alcohol Beverages (DAB)

The Division of Alcohol Beverages (DAB) was a new addition to the department in 2024. The division was created to implement changes in the regulation of alcohol beverages specified under 2023 Wisconsin Act 73, which took effect May 1, 2024.



DAB Responsiblities

- Administers over two dozen alcohol permit types created or updated under 2023 Act 73, including Brewers, Wineries, Distillers, and Distributors.
- Provides regulatory oversight and guidance for alcohol industry.
- Educates local clerks, licensees, permittees, and the public about Wisconsin's alcohol laws through newsletters, outreach events, and online resources.
- Investigates complaints and enforces compliance with statewide alcohol laws in partnership with local law enforcement.

The DAB Team

- Enforcement Officers
- Education and Outreach team members
- Permitting, Licensing, and Customer Service team members

Information Technology Division Receives Innovation and Excellence Award for Data Capture Modernization project

The DOR DTS team won the 2025 Federation of Tax Administrators Innovation Award for the Archivum project.

This project was well-researched and tested and involved an Artificial Intelligence based solution to improve the scanning and automatic data capture efficiency and accuracy for the over seven million tax document pages scanned each year. This resulted in an overall increase in productivity (increased from 16 to 47 information returns per hour completed), a cost savings from a reduction in the number of LTEs needed for the season, and improved speed of service to the taxpayers of Wisconsin.





Personal Property Tax Repeal

DOR administered 2023 Wisconsin Act 12, which contained significant changes including the repeal of personal property tax starting January 1, 2024. The State and Local Finance team coordinated with local governments to repeal personal property tax, distributing the first Act 12 personal property aid payments totaling \$173.8 million in May 2025. An additional \$3.6 million was distributed to certain local governments to compensate for not being able to impose general property taxes on real property exempt from taxation under the 1854 Treaty of La Pointe.

State and Local Finance Shared Revenue Changes

The shared revenue program was updated under Wisconsin 2023 Act 12, providing financial assistance to Wisconsin counties, municipalities, schools districts, technical colleges, special districts, and tax incremental districts.









The State and Local Finance team's shared revenue distribution:

FY23 \$1.36 billion

FY24 \$1.54 billion

Employee Engagement/Leadership Development/Supervisor Training/Retention and Recruitment

Building an innovative culture and developing and retaining our team are essential to achieving our mission and goals. DOR accomplished this through a multi-year effort that began by listening to our 1,000+ employees. Over the last two years, we have implemented 40 strategic initiatives, demonstrating that people commit to what they create.

One focus of these projects is employee development and retention. DOR allows all employees to "Take 4" hours of training per month to encourage job development and learn new skills. Programs like Emerging Leaders, regular and formalized supervisor trainings every six to eight weeks, and the Audit Gateway program that allows employees to pursue a four-year accounting degree while continuing to work to become a full-time auditor have proven successful. DOR employee overall job satisfaction remains high at 80%.

DOR also updated the New Employee Onboarding program in March 2025. The design is based on best practices in onboarding and seeks to provide new employees with materials and resources necessary for their onboarding, in a format and speed that allows time to process and retain the information. The new program balances in-person connections with eLearning opportunities in a program that allows our divisions the flexibility desired to meet their scheduling needs.





Income, Sales, & Excise Tax

Danfarman sa Mangura	FY	24	FY25		
Performance Measure	Goal	Actual	Goal	Actual	
Delinquent collections	\$333.0 million	\$336.3 million	\$346.0 million	\$362.8 million	
Enforcement cost per dollar impact	\$0.0800	\$0.0774	\$0.0800	\$0.0741	
Fraudulent returns stopped, incorrect refunds/credits reduced or denied	\$69.5 million	\$296.9 million	\$147.4 million	\$136.1 million	
Statewide debt collection (SDC) program	\$60.0 million	\$62.5 million	\$60.0 million	\$77.5 million	
Percentage of individual income (II), sales tax (ST), and corporate (C) returns received electronically	91% (II) 97% (ST) 88% (C)	94% (II) 98% (ST) 94% (C)	92% (II) 97% (ST) 90% (C)	94% (II) 98% (ST) 95% (C)	
Taxpayer survey results (percentage of customers who rate customer service agents as professional and knowledgeable)	98.0% professional 98.0% knowledgeable	99.4% professional 99.2% knowledgeable	98.0% professional 98.0% knowledgeable	99.0% professional 99.0% knowledgeable	
Average processing time for individual income tax returns	8 days	4.3 days	8 days	5.3 days	
Average hold time/answer rate for	90-second hold time	56-second hold time	90-second hold time	54-second hold time	
customer service call center	97.8% answer rate	99.6% answer rate 97.8% answer rate		99.22% answer rate	

Note: Based on fiscal year.



Unclaimed Property

Goal – Promote efficiency and integrity

Objective/activity – process unclaimed property claims within 90-day statutory limit.

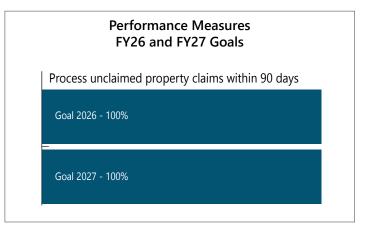
Performance Measures
FY24 and FY25 Goals and Actuals

Process unclaimed property claims within 90 days
Goal 2024 - 100%

Actual 2024 - 95.8%

Goal 2025 - 100%

Actual 2025 - 74.7%





State and Local Finance

Goal: Ensure equitable tax compliance, collection, and property valuation

- Objective/activity detect and prevent incorrect real estate transfer fee exemptions claimed, including audit corrections to the amounts claimed (fiscal year dollar amount assessed)
- Objective/activity minimize the number of local governments not e-filing the Municipal Financial Report on a timely basis
- Objective/activity maintain a passing percentage of 60.0% for assessor certification exams

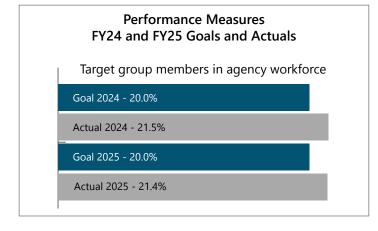
Performance Measure	FY23		FY24		FY25		FY26	FY27
	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Goal
Dollar amounts assessed from real estate transfer fee audits	\$750,000	\$920,367	\$800,000	\$566,300	\$835,000	\$445,870	\$300,000	\$335,000
Number of local governments not timely e-filing the Municipal Financial Report	10	15	10	17	10	9	10	10
Percent of assessors passing certification exams on first attempt	60%	47%	60%	56%	60%	49&	60%	60%

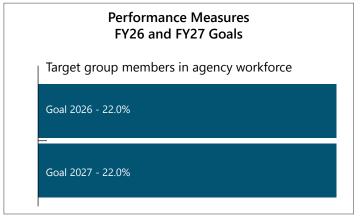


Administrative Services

Goal - Maintain a positive work environment

Objective/activity – percentage of target group members in agency workforce.

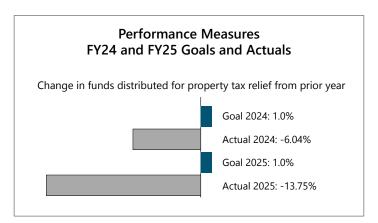


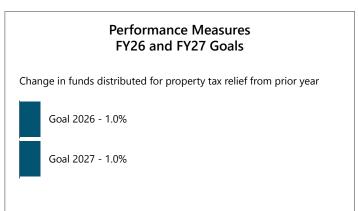




Goal – Achieve the highest possible revenue for property tax relief by offering entertaining and socially responsible games, while ensuring integrity and public trust

Objective/activity – increase the amount available for property tax relief over the prior year.





Division of State and Local Finance

The State and Local Finance Division (SLF) annually calculates statewide equalized values; conducts property assessment services for manufacturing, telecommunication, and other utility company properties; assesses and collects certain taxes; and certifies assessors across the state. SLF also administers the state's shared revenue and property tax relief and administers the tax incremental financing program.



EQUALIZATION

Annually certifies equalized and tax incremental finance values; ensures assessment compliance; reviews assessment appeals, chargebacks, and omitted requests; and provides training.





Assesses manufacturing property; ad valorem assessment of telecommunications, pipelines, airlines, railroads; and assesses gross receipts of light/heat/power companies.





LOCAL GOVERNMENT **SERVICES**

Reviews local government financial statements, property assessment, tax reports; distributes state aids and property tax credits; certifies equalized values for school, special and tech college districts; and administers real estate transfer fee program.



ASSESSMENT AND TECHNOLOGY

Oversees assessor certification and education; administers tax incremental finance program; and provides technology, applications support.

SLF Accomplishments And Goals During FY24-25 Biennium

Administer and Implement 2023-2025 Statutes

The Wisconsin Department of Revenue promotes efficient, effective, consistent property tax administration, and ensures compliance of statutorily required deadlines by both SLF and local government officials (ex: assessors, clerks, listers, etc.) to allow for timely and accurate production and distribution of property assessment and taxation deliverables.



- SLF developed and implemented the Innovation Planning Grant program created within 2023 WI Act 12. With \$3 million available, the program provided funding to Wisconsin municipalities and tribes (with a population not exceeding 5,000) for staffing and consultant expenses to plan the transfer of an allowable service/duty to another entity.
 - » Distributed \$2,997,992 across 68 projects involving Wisconsin municipalities and tribes
- Using the new DOR SLF eLearning platform within Cornerstone more than 543 assessors completed the 2023 Annual Assessor Meeting, and 525 assessors completed the 2024 Annual Assessor Meeting
- Effectively coordinated with local governments to repeal personal property tax starting January 1, 2024, distributing the first Act 12 personal property aid payments totaling \$173.8 million in May 2025
- Assessed manufacturing property of \$21.4 billion in 2024 and \$22.8 billion in 2025, an increase of 6%
- Levied \$424 million in utility taxes and gross revenue license fees during the 2024 assessment year
- Certified total state equalized value of \$907.4 billion in 2024 and \$982.8 billion in 2025, an increase of 8% or \$75.4 billion, led by residential and commercial property
- Assisted local governments in the imposition of \$13.6 billion in gross property tax in 2024
- Distributed \$1.71 billion in property tax relief for the 2023 tax year and \$1.74 billion for the 2024 tax year
- Distributed \$1.36 billion of shared revenue in FY24 and \$1.54 billion in FY25
- Distributed \$3.6 million to certain local governments to compensate for not being able to impose general property taxes on real property exempt from taxation under the 1854 Treaty of La Pointe
- Provided all values, estimates, and statistical data to local governments and partner agencies on or before statutory deadlines
- Conducted 18 assessment practice reviews resulting from property owner concerns



- Develop and implement the Innovation Grant program (also created within 2023 WI Act 12 and modified by 2025 WI Act 15), providing \$300 million to Wisconsin counties, municipalities, and tribes to successfully implement an innovation plan
- Implement standardization to support system-wide efficiencies in the valuation and assessment of property
- Develop property assessment curriculum and training for new and experienced assessors to ensure compliance with assessment standards and uniformity



Drive Innovation Through Data-Based Decisions and Solutions



- Transitioned manufacturing board of assessor (BOA) appeals for electronic filing within My Tax Account and successfully processed 65 appeals in WINPAS in 2024 for the first time (68 appeals processed in 2025)
- Launched new lottery credit late claim forms within My DOR Government Account (MyDORGov), significantly improving processing times
- Developed new Maintenance of Effort (MOE) Report online form and processing system to support the new MOE program created within 2023 WI Act 12
- Developed Personal Property Value Report online form to collect 2023 personal property value from each Wisconsin municipality to facilitate the calculation of the new Act 12 personal property aid
- Enhanced MyDORGov filing platform to provide users additional flexibility when granting access to others to view, edit, and file forms on their behalf
- Updated system to support the annual calculation of County and Municipal Aid incorporating adjustments for sales tax revenues as outlined in 2023 WI Act 12
- Developed application to calculate and annually adjust the new Supplemental County and Municipal Aid as outlined in 2023 WI Act 12
- Completed the last major conversion of the administrative database from mainframe into VAULT
- Utilized Arc GIS mapping to implement various efficiencies for reviews conducted by the Equalization Bureau, and created a cross-bureau team to identify additional opportunities
- Continued use and development of automated testing application Selenium for SLF forms and applications
- Enhanced system for separation of school levy tax credit payments into two payments annually and increase in annual funding as outlined in 2023 WI Act 19
- Updated systems, forms, and instruction for 10 acts impacting state and local finance programs during the 2023 legislative session





- Complete the transition of the Real Estate Transfer Return and Provide Assessment Data applications into My Tax Account and WINPAS
- Review potential process enhancements and efficiencies via the use of artificial intelligence
- Implement technology to administer the Innovation Grant program
- Per system survey(s), attain Very Good/Good rating by 85.0% of users for overall satisfaction with external SLF filing systems (My DOR Government Account and My Tax Account)
- Implement new system for self-reporting municipal assessor changes including an Assessor Contact Form



Provide Excellent Customer Service and Positive Customer Interactions

Customer satisfaction surveys are administered every two years. We work to provide exceptional customer service to customers and stakeholders, and effectively collaborate with local government officials, business owners, other state agencies and stakeholders to administer SLF programs.



FY24-25 Biennium Accomplishments

- Based on the 2024 customer service survey, 84.3% of respondents rate their overall satisfaction with SLF services as 'Very Good/Good'
- Continued the publication of SLF newsletter to enhance connection with customers and stakeholders – <u>available editions</u>
- Implemented new Local Official Contact annual update within MyDORGov to ensure accurate records for effective communication
- Proactively sent consistent filing and payment reminders to customers and coordinated with applicable local associations to support timely compliance
- · Collaborated with other work areas to enhance social media utilization and share SLF information
- Conducted stakeholder workshops to discuss the proposed administration of Maintenance of Effort and Innovation Grant programs
- Utilized webinars to communicate Innovation Planning Grant information and annual manufacturing My Tax Account and MyDORGov updates
- Continued to provide a series of annual consultant workshops related to tax incremental financing
- Averaged over 20,198 views per quarter of the <u>DOR Governments</u> webpage
- Increased participation and impact of outreach events each calendar year:
 - » 2022: 1,945 attendees at 24 events
 - » 2023: 3,442 attendees at 38 events
 - » 2024: 4,138 attendees at 49 events



- Automate the onboarding (i.e., information sharing) for new local government officials
- Continue the development of SLF training videos and webinars to explain program requirements and provide form filing instructions
- Modernize SLF publications and guides
- Continue customer and stakeholder engagement related to program development and enhancement and gather and utilize feedback using various methods including surveys

Division of Research and Policy

The Division of Research and Policy (R&P) provides detailed analyses of fiscal and economic policies to the Office of the Governor, DOR's Secretary's Office, and other state officials. The division assesses the impact of current and proposed tax laws, prepares official general fund tax revenue estimates used to develop the executive budget, issues quarterly forecasts of the state's economy, and develops various statistical reports.



ECONOMICS

Prepares estimates of state general purpose tax revenues and forecasts of the Wisconsin economy.



INCOME TAX POLICY

Conducts research on and analyzes individual income taxes and corporate franchise/income taxes.





SALES AND PROPERTY TAX

Researches and analyzes sales and use, property, excise and utility taxes, and other property tax relief programs. Provides analysis of fiscal issues affecting school districts, municipalities, and counties, including local financial assistance programs.



BUSINESS DEVELOPMENT

Business Development and Government Relations (BDGR) connects the dots to federal, state, and local resources to help Wisconsin businesses grow and thrive.

R&P Accomplishments and Goals

Drive Innovation Through Data-Based Decisions and Interactions

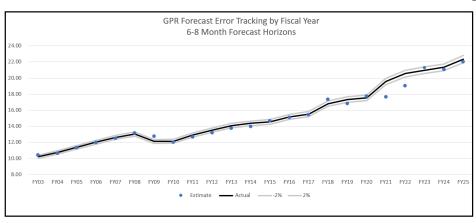
The Research and Policy Division is responsible for creation of the biennial revenue estimates presented by the executive branch. The division is charged with analyzing all tax policy proposals. More fiscal estimates are completed by R&P than any other state agency division. The division also produces many detailed statistical reports and databases for internal and external uses. Over the last few sessions R&P created more user-friendly graphic representations of information and data through data visualizations and tools for the public to access its substantial data resources.



FY24-25 Biennium Accomplishments

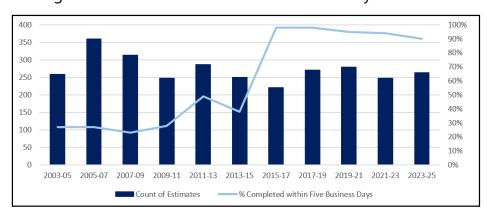
• GPR tax revenue forecast was within 2% of actuals for FY23 – FY25 (forecast horizons of eight months)

DOR GPR
Tax Forecast
vs. Actuals
+/- 2%
Ranges
FY03-FY25



• Completed 90% of 247 assigned fiscal estimates within five business days

Fiscal
Estimate
Volume and
Turnaround
Time



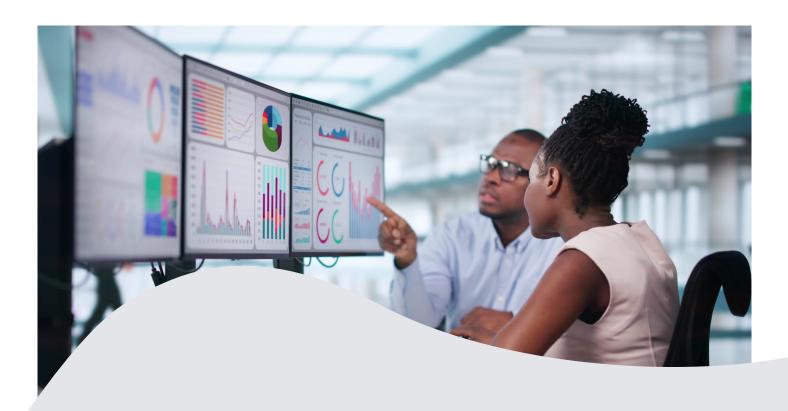
• In July 2024, the Tax Policy Center ranked Wisconsin as #1 in the US for revenue forecast accuracy from 2013 – 2023. This is a long-running achievement for R&P because Wisconsin also held the #1 spot in forecast accuracy, according to the Rockefeller Institute, from 1987-2013.

R&P Accomplishments and Goals

- Created many data visualizations the division now has 40 visualizations available for public consumption
- Created a standalone page for R&P visualizations at <u>DORViz.wi.gov</u>
- Redesigned DOR's Reports page to a searchable and more user-friendly format
- Updated corporate and individual tax samples with tax year 2022



- Maintain forecast accuracy within 2.0% of actual annual revenue collections
- Complete 80.0% of fiscal estimates for proposed legislation
- Continue to update current data visualizations and provide additional user-friendly visualizations and interactive databases to DOR stakeholders
- Increase total annual views of R&P data visualizations by 8.0% per year
- · Create tax-year 2024 corporate and individual income tax samples





Office of General Counsel

The Office of General Counsel provides legal counsel to agency officials, litigates tax cases, reviews proposed administrative rules and tax legislation and works with other state agencies on legal matters.



APPEAL RESOLUTION

Responds to and resolves taxpayer requests for redetermination of tax assessments and denials of claim for refund.



LEGAL SERVICES

Represents the department at the Wisconsin Tax Appeals Commission, courts and other venues and advises the department on legal matters.



OGC Accomplishments and Goals

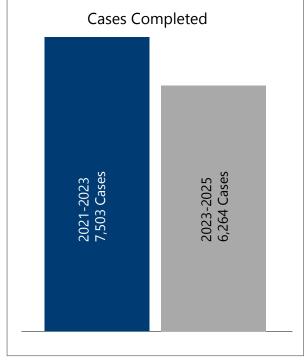
Provide timely, efficient and fair legal services, and appeal review

The Office of General Counsel provides timely, high quality, efficient legal services to DOR, and represents it in tax appeals at the Wisconsin Tax Appeals Commission (WTAC). The division also represents DOR in appeals of ad valorem assessments of telecommunications and other companies in state circuit court, and collection matters in state circuit court and federal bankruptcy court. Appeals are handled through correspondence, telephone, and informal conferences. Taxpayers may appeal the actions of the resolution officers to the WTAC.

Provide Excellent Customer Service And Positive Customer Interactions



- Achieved final resolution of 90% of cases acted on by the office audit resolution unit during the 2023-2025 biennium
- Resolved small claims appeals filed with the Tax Appeals Commission in less than six months
- Assisted in processing backlogged appeals from other units
- Obtained decisions ruling that:
 - » Property tax exemption for machinery, tools, and patterns did not apply to personal property used in manufacturing.
 - » Withholding returns must be filed by pass-through and fiduciary entities if they have Wisconsin income.
 - » Fleet management services that included communication to customers discussing the results of inspections and interpretation of data received from vehicles were taxable inspection services and not exempt data processing.
 - » Sole owner of LLC must pay income tax on sales of computer software licenses to Wisconsin customers, as these were sales of intangible property not subject to P.L. 86-272.
 - » Wisconsin residents' credit for taxes paid to another state is allowed only to the extent the income taxed by the other state is also considered income for Wisconsin tax purposes.
 - » Sales of trailer-type vehicles to out-of-state customers were not tax exempt under the exemption for truck bodies.
 - » Pre-2009 net business losses may not be used by corporate groups if incurred by member who sustained the losses before joining the corporate group, when it belonged to a different combined group.



OGC Accomplishments and Goals



Goals for FY26-27

- Maintain or shorten time for resolution of taxpayer cases at the Wisconsin Tax Appeals Commission and in the Resolution Unit
- Improve current field audit resolution officer processes
- · Improve public access to Wisconsin tax decisions

Drive Continuous Workforce Development



- Trained legal staff and resolution officers in basic eDiscovery
- Expanded telecommuting opportunities for paralegals
- Explored the use of eDiscovery software to improve efficient review of documents in litigation and open record requests.



Division of Technology Services

The Technology Services Division (DTS) administers technology services for all parts of the department, including data administration, applications development, server and network support, data collection, and technology planning. The division also establishes and manages information technology standards and policies and guidelines that ensure a secure environment for all electronic resources.



APPLICATIONS

Provides application development and support to the department by working on projects that incorporate our business processes, data, and security into their respective business applications.



CUSTOMER SERVICE

Provides technical assistance and support for staff members who use DOR systems and with external partners using DOR technical services.



Administer and Implement 2023-2025 Statutes



- Enabled the first-ever municipal-level sales tax. DTS assisted in creating the database ensuring precise boundaries for the City of Milwaukee.
- Enabled the first-ever increase in County-level sales tax. Milwaukee County was allowed to impose up to a .9% sales tax while all other counties have a .5% sales tax.
- Worked on new Shared Revenue payments to municipalities and created the systems to enable the new Supplemental Shared Revenue payments.
- Enabled the Maintenance of Effort programming for local government.
- Assisted in setting up the systems to launch the Innovation Planning Grants and the Innovation Grants both were the first-ever DOR-managed grant programs for local governments.
- Facilitated changes to ensure the elimination of the personal property tax.
- Ensured the correct programming to report the value of net new construction in TIDS, which required several computational changes.
- Allowed for a second School Levy Tax payment.
- Posted liquor licenses online, making it easy for the public to access.
- Implemented a vape products registry and programmed four new excise permits.
- Implemented new sales taxes for Racine and Manitowoc counties.
- Developed a platform that integrates the IRS Direct File program with WisTax, Wisconsin's counterpart.



Provide Excellent Customer Service and Positive Customer Interactions



FY24-25 Biennium Accomplishments

- Participated in the IRS Direct File program, by integrating our Wisconsin free-file program, WisTax.
 - » For the first time, certain Wisconsin filers were able to use free, secure, and easy-to-use government-run platforms to seamlessly file both their federal and state income taxes.

Drive Innovation Through Data-Based Decisions and Solutions



- Modernized our scanning process by building a new in-house scanning platform, Archivum.
 - » Won the 2025 Federation of Tax Administrators Innovation Award for the Archivum project.
- Implemented a new modern collection system, FAST Collection Services, which significantly increased the amount of debt collected for the state.
- Implemented badge printing to monitor and reduce our printing costs.
 - » Prior printers were removed and replaced with printers outfitted with badge printing enabling software.
- Currently working through a major upgrade of our integrated tax processing system, WINPAS, to a version called Core21.
 - » Prior to the upgrade, the department had to undergo an upgrade to the managed payment system a project that required a lot of resources to complete.



Other Modernization of Applications



- Implemented new applications in Vault that streamlined processes and saved State and Local Finance Division staff time.
- Implemented a modern, more efficient incident and project management tool for tracking tasks, issues, and requests in software development, change management, and IT support.
- Transitioned to a new mobile device management tool to manage DOR mobile devices more effectively. Provided guidance to other agencies on lessons learned to improve their migrations.
- Upgraded all agency devices to the latest operating systems with hardened security that meets or exceeds IRS requirements.
- Transitioned the agency to a next-generation contact center, simplifying the agency telephony
 footprint, improving uptime, user, and constituent experience while building capacity for
 ongoing innovations.
- Created cloud infrastructure for a proof of concept to intelligently reduce excess workloads for Tax Processing and improve self-service reporting for Audit.
- Deployed modern technology in conference rooms for DOR staff that resulted in an improved hybrid meeting experience where remote participants can easily collaborate and feel included.
- Updates to our tax processing system (WINPAS) Implemented Notice Schema for our payroll service providers.
- Improved our Lottery case log expansion to handle validation error tracking, fraud referrals from the field, and retailer applications.
- Integrated a more robust data loss prevention (DLP) tool with our CrowdStrike vendor that monitors all web traffic to prevent leakage of protected information on the internet.
- Created work rules and applications that allow lists so DOR could implement the Zero Trust remote access solution that has been rolled out to all employees. This allowed DOR to decouple users from a full-access Virtual Private Network (VPN).
- Implemented new workstreams to address vulnerabilities on servers, workstations, and applications more efficiently and effectively.





- Move all forms remaining on the IFP platform to the new Archivum scanning platform.
- Complete conversion of Legislative Tracking System (LTS) from VB to our standard Java development platform.
- Complete conversion of MeF Manager from VB to our standard Java development platform.
- Migrate last old File Transfer use to new platform.
- Complete the Core 21 update to DOR's tax processing system (WINPAS).
- Rewrite Equalization Reporting application.
- Rewrite Assessor Certification application.
- Rewrite Managed Users application.
- Complete the new application for electronic real estate transfer form within WINPAS.
- Complete a new application for Provide Assessment Data within WINPAS.
- Rewrite Manufacturing Rolls application.





Drive Continuous Workforce Development



FY24-25 Biennium Accomplishments

- Enrolled all DOR staff behind next generation multi-factor authentication, protecting both DOR devices and applications from untrusted network access. As the leading agency to complete this, we were able to provide feedback to improve the process for other agencies.
- Implemented DOR-wide password management for all DOR employees that provides a password creation process that aligns with the DOR and IRS standards with one click of a button. This solution also prevents the use of passwords found on known hacker password lists.
- Switched to continuous employee Phishing tests and increased their sophistication to match the growing threat of phishing email campaigns.
- Implemented new workstreams to address vulnerabilities on servers, workstations, and applications more efficiently and effectively.
- Developed Artificial Intelligence guidelines for employees that provided direction on use.



- Upgrade and migrate all backend server systems to the latest operating systems and network environments.
- Implement mobile endpoint detection and response capabilities.
- Deploy next-generation security web browser for all DOR employees.
- Continuously enhance ZeroTrust remote access using role-based access management for application segmentation.



Division of Enterprise Services

The Enterprise Services Division (ESD) provides department-wide administrative support for the agency, including budget and financial management, business planning and performance measurement, records management, printing, mail processing, fleet and facilities management, personnel, affirmative action, employee development, and employment relations.



BUSINESS SERVICES

Provides administrative management to the department in the areas of facilities, fleet, document shredding, and forms management. Processes most incoming and outgoing mail, and prepares returns and correspondence for processing.



FINANCIAL MANAGEMENT

Oversees development of the department's biennial and annual operating budgets, performing internal audits of department expenditures, serving as liaison for external audits, and developing the department's internal control plan.





ADMINISTRATIVE OFFICE

Coordinates internal agency operations. Provides support and guidance strategic management, policies, procedures, training, continuance of operations planning, continuous improvement, and records management. The office also liases with human resources for workforce planning, diversity, equity, and inclusion and recruitment.



STRATEGY AND ENGAGEMENT

Manages employee onboarding, education and retention, programmatic training development, and the mentoring program, while supporting strategic planning and employee engagement initiatives.

Provide Excellent Customer Service and Positive Customer Interactions

Our goal is to build a culture that is inclusive and attracts a diverse workforce. We also aim to build a deep bench of emerging leaders who will be ready to take on supervisory roles when they become available. Our Emerging Leaders program, which was an action item in our last plan, is helping us with our succession planning for the DOR of the future.



FY24-25 Biennium Accomplishments

- Increased the percentage of DOR employees who are racial or ethnic minorities from 19.8% in 2021 to 20.8% in 2023 (June) and achieved 19.3% in 2025.
- Increased the percentage of female employees from 52.1% in 2021 to 52.8% in 2023 and then saw 51.3% in 2025.
- The percentage of veterans employed by DOR was 5.0% in 2023 and increased to 5.5% in 2025.
- DOR currently does not have any underutilized job groups of statistical significance.
- Developed and published DOR Veteran Hiring and W-2 Plans to align with Wisconsin Statutes sections 230.042 and 230.147, respectively. The 2024 goal for W-2 was three hires; DOR hired eight.
- Nominated as one of Dane County's Outstanding Supported Employers in 2025 as a result of our
 continued participation in the TeamWorks program. This is a partnership with Madison-area high
 schools' Vocational Transition programs with funding support from the Wisconsin Department of
 Workforce Development's Division of Vocational Rehabilitation. Three program participants with
 disabilities were employed as limited-term employees during FY24 and FY25.
- Conducted more than a dozen department-wide diversity-related training activities over the biennium. Topics covered diversity, racial equity, transgender and LGBTQ equity and quality of life, historic cultural impacts, and harassment and discrimination prevention.
- Expanded our employee resource groups (ERGs) to seven ERGs formed by DOR employees.
- Facilitated Emerging Leaders and All Supervisor Training programs for DOR employees with thirtyseven Emerging Leaders graduates and held bi-monthly trainings for all supervisors and managers.



- Increase diversity in leadership positions.
- Continue to explore and expand methods to advertise position opportunities to diverse applicant pools including veterans and Wisconsin Works participants.
- Support and promote the DOR Equity and Inclusion Plan.
- Promote participation in leadership and management development by minority and veteran employees.

Drive Innovation Through Data-Based Decisions and Solutions



FY24-25 Biennium Accomplishments

- Financial, procurement, and budget transactions meet state and federal requirements.
- No material findings in financial audits performed by the Legislative Audit Bureau (LAB).
- New interactive Power BI budget reports and dashboards where business areas can introduce scenarios to see budget effect, enabling better data-based decision making.
- Continued transition toward paperless p-card and reimbursement records.
- Used telecommuting agreements to calculate space needs to reduce physical footprint in primary office building.
- Converted to new continuity platform, Riskonnect, and populated the data fields.
- Redesigned new employee experience with early welcome emails from supervisors and human resources, precursors to key processes that can be completed electronically in advance of their first day, allowing for a seamless introduction to the agency on their first day.



- Maintain no material findings in financial audits performed by LAB.
- Increase use of dashboards and standard reports for budget, Cornerstone, and Riskonnect, enabling enhanced data-based decision making.
- Continue journey toward paperless processes when it is value-added.



Drive Continuous Workforce Development



- Developed and provided training, or sponsored specific training, to supervisors every six to eight weeks.
- Led two more cohorts of Emerging Leaders in the fiscal years 2023 to 2025, preparing participants for success when advancing their careers. Of the 33 participants, five have been promoted and two moved to other, more challenging positions.
- Worked with business areas to map and document their training processes and programs.
- Updated New Employee Onboarding program, launched in March 2025. The new program balances in-person connections with eLearning opportunities in a program that allows our divisions the flexibility desired to meet their scheduling needs.
- Conducted live privacy and cybersecurity tests—simulated to represent actual events—each quarter to determine employee skills on recognizing and dealing with threats.
- Supported DOR's Strategic Planning 3.0 initiatives: space consolidation, increase retention, internal career growth, quality of life, employee experience, telecommuting, and website redesign.
- Rewarded the first Special Act Awards in 2025. Special Act Awards recognize an individual or group of employees for a non-recurring contribution made either within or outside of normal job responsibilities.
- Conducted the 10th Employee engagement survey since 2014.
 - » "I am committed to the success of DOR" remains the highest-rated attribute, with 92.6% of employees surveyed agreeing or strongly agreeing with that statement.
 - » Job satisfaction reached its peak in December 2023, with 81.6% indicating they are satisfied with their jobs. A very slight drop to 80.0% was seen in December 2024.
- Conducted a continuity of operations tabletop exercise in fall 2023 on response and return to operations following severe weather, including tornadoes, in Dane and Milwaukee Counties.
- Completed continuity of operations tabletop exercises with five service plans to test response and return to operations following disruptions of essential services.





- Focus on development and engagement, tracking metrics that demonstrate the impact on job satisfaction and retention.
- Support strategic planning and operational business plan deliverables. Liaising between the initiative teams and senior leadership.
- Continue roadmapping divisions' training to document a complete record of all training that
 is offered across the department. Recognize employees through online kudos and Special
 Act Awards.
- Provide training and develop action plans to increase scores of lower-rated attributes without losing focus on those that brought DOR success.
- Continue the DOR Employee Satisfaction survey each year and provide DOR's overall results.
- Carry out Continuity of Operations program plan that lays out DOR's training and exercise schedule including a continuity tabletop exercise and optional training on employees' response to an active threat.
- Provide CPR recertification training for First Response Team in Madison and key staff in district offices.



Division of Income, Sales & Excise Tax

The Income, Sales and Excise Tax Division (ISE) administers individual income, employee withholding, corporate franchise/income, state and county sales and use, estate, excise, economic development surcharge and other tax types, as well as homestead, earned income and other tax credit programs, and the unclaimed property program.



TECHNICAL SERVICES

Directs division legislative and rulemaking activities; coordinates administration of state tax programs; develops tax forms, publications, and administrative rules; leads implementation of law changes; and provides rulings on tax issues.



AUDIT

Conducts audits on tax returns, including those for income, sales, withholding, motor vehicle fuel, and excise taxes. Also, audits credit claims for homestead, earned income, and farmland preservation.



COMPLIANCE

Collects all delinquent taxes and debts for state agencies, counties, and municipalities.



TAX OPERATIONS

Processes millions of tax returns annually, collects billions of dollars, administers unclaimed property program, and ensures processing system and tax software is working correctly.



CUSTOMER SERVICE

Provides timely, high-quality, and efficient assistance to taxpayers by telephone, email, and in-person.



CRIMINAL INVESTIGATIONS

Conducts criminal investigations of individuals suspected of violating Wisconsin's tax laws and assets in the prosecution of the offenders. Responsible for enforcing Wisconsin's alcohol and tobacco laws.

Administer and Implement 2023-2025 Statutes



FY24-25 Biennium Accomplishments

- Income and Franchise Tax
 - » 2023 WI Act 101, implemented child and dependent care credits:
 - o Increased additional child and dependent care credit from 50% to 100% of the related federal credit.
 - o Capped amount of qualifying expenses that may be used to compute Wisconsin's credit at \$10,000 for one qualifying child and \$20,000 for two or more qualifying children.
 - » Other tax credits implemented include a credit up to \$1,500 related to transportation services for blind workers and changes to early-stage seed and angel investment credits.
 - » 2023 WI Act 187 added organ donor option to individual income tax return.
- Excise Tax Law Changes
 - » Administered the requirement for municipalities to report cigarette, tobacco, and electronic vaping device retail licenses to department annually by July 15, 2025.
 - » Imposed \$.03 per kilowatt-hour excise tax on sale of electricity for electric vehicle chargers; excludes residential chargers, and Level 1 or Level 2 chargers installed prior to March 22, 2024.
 - » Created new permit and tax base for remote sellers of cigars or pipe tobacco.
- Sales and Use Tax Law Changes
 - » Implemented the 2% City of Milwaukee sales and use tax and increased Milwaukee County sales and use tax rate from 0.5% to 0.9%.
 - » Worked with Wisconsin Economic Development Corporation on certification of two new qualified data centers in Wisconsin.
 - » Implemented sales tax exemptions for insulin, health care records, farm-raised fish, real estate broker memberships, portable machinery used to crush material for roads or parking lots, and precious metal bullion.
- Withholding Tax Law Changes
 - » Increased minimum thresholds for employers and pass-through entities to withhold tax on wages and pass-through income for nonresidents:
 - o From \$1,500 to \$2,000 on wages attributable to Wisconsin
 - o From \$1,000 to \$2,000 on pass-through income attributable to Wisconsin

- Cigarette, Tobacco, and Vapor Unit
 - » Created a new Cigarette, Tobacco, and Vapor (CTV) unit tasked with investigation of statewide significance of the following state laws:
 - o Beverage and Tobacco Taxes under Chapter 139, Wis. Stats.
 - o Cigarette, electronic vaping devices, and tobacco products retailer licenses under sec. 134.65, Wis. Stats.
 - o Commercial gambling under sec. 945.03(2m), Wis. Stats.
 - o Permitting premises to be used for commercial gambling under sec. 945.04(2m), Wis. Stats.
 - o Electronic vaping device directory under sec. 995.15, Wis. Stats.
 - » Transitioned alcohol enforcement under Chapter 125, Wis. Stats. to the Division of Alcohol Beverages in FY24.
 - » Closed 194 CTV investigation cases and 95 criminal investigation cases
 - » Referred cases to Excise Audit resulting in \$19.3 million in assessments, surpassing the goal of \$200,000.



Drive Innovation Through Data-Based Decisions and Solutions



FY24-25 Biennium Accomplishments

Technology Projects:

- WisTax partnered with IRS Direct File to introduce a seamless connection for Wisconsin residents to file a free tax return.
- Transitioned the DOR call center to Amazon Connect. This solution not only results in cost savings; it also enhances efficiency with more analytics and optimization features.
- Created a vapor products registration process for manufacturers to register FDA approved products and developed an Electronic Vapor Device Directory. Product registration began July 1, 2025, with the online directory available for public viewing starting August 1, 2025.
- Implemented new county sales and use tax programs for Manitowoc and Racine counties.
- Modernized occupational license matches to optimize case workflow and automate certain letters.
- Implemented an advanced automation project to improve collections workflows.
- Continuing to expand electronic files exchanges for levy order processing.
- Implemented the Zero After Implementation (ZAP!) initiative to improve technology project requirements for gathering and testing components. Decreased re-work improved the capacity for work on other projects and enhancements.
- System changes improved process to post sales/use tax financials from DNR, DOC, and DTS.
- Refund Claims Management system built to track refund claims across Audit Bureau for all tax types and increase efficiencies in processing claims with statute of limitations.
- Implemented Electric Vehicle Charging station registration and tax type in WINPAS.



Provide Excellent Customer Service and Positive Customer Interactions



FY24-25 Biennium Accomplishments

- Extended customer service call center hours to better serve customers in January (for businesses) and April (for individuals).
- Evaluated and improved Customer Service Bureau call queues; implemented new approach for training Limited Term Employees (LTEs): all support business calls through mid-February, then shift to all support income calls for remaining filing season, and all support My Tax Account (MTA) calls throughout the filing season.
- Participated in 67 outreach events and webinars to over 5,000 practitioners and business owners.
- Expanded WisTax and partnered with the IRS to provide a fast, free option to file the federal individual income tax return and the Wisconsin income tax return through Direct File for the 2024 tax year.
- Identified and stopped fraudulent activity.
 - » Homestead Credit \$16.9M in FY4, \$15.4M in FY25
 - » Earned Income Tax Credit \$19.5M in FY24, \$21.8M in FY25
 - » Individual Income Tax Refunds \$247.9M in FY24, \$19.5M in FY25
 - » Additional adjustments \$127.9M in FY24, \$136.1M in FY25
- Collected \$32.8M in FY24 and \$39.2M in FY25 through the Audit Billing Projects.
- Collected \$62.5M in FY24 and \$77.5M in FY25 through the Statewide Debt Collections program for our state, county, and local government partners.
- Collected \$336.3M in FY24 and \$362.8M FY25 in delinquent taxes.
- Met the statutory timeline for processing property claims 69 days in FY24 and 61 days in FY25.
 - » 2024 paid \$43.1M with \$5.6M paid through auto claims process
 - » 2025 paid \$39.1M with \$9.9M paid through auto claims



- Improve pay-by-phone options.
- Analyze collection data to continue to improve collection results, increase voluntary compliance, and improve selection of non-filer notices.
- Cigarette, Tobacco, and Vapor (CTV)
 - » Detect and prevent evasion of state taxes on cigarette, tobacco, and vapor products
 - » Make referrals to the Audit Bureau Excise Tax Unit for possible tax assessments
 - » Educate the public, governmental units, and the regulated community about the laws we administer

Drive continuous workforce development



FY24-25 Biennium Accomplishments

 A bureau reorganization created three training units to provide better training outcomes to new revenue agents, a lead worker unit to increase consistency in employee guidance, and reduced unit sizes to increase the supervisor's ability to grow revenue agents in their careers.



- Identify technology solutions to provide better data analysis to assist with improving workflow in tax processing and unclaimed property work.
- Improve bureau training, develop training roadmaps, transition training, and interactive eLearning content.



Division of Alcohol Beverages

The purpose of the Division of Alcohol Beverages (DAB) is to modernize and strengthen the state's regulation of alcohol beverages. DAB provides uniform statewide licensing, permitting, enforcement, and education for Wisconsin's alcohol beverage industry. The division issues two dozen alcohol beverage permits to over 10,000 permittees who produce, distribute, ship, or sell alcohol beverages in Wisconsin. DAB works closely with local governments, law enforcement, and industry stakeholders to ensure compliance with Chapter 125 of the Wisconsin Statutes.



ENFORCEMENT

- Enforces Wisconsin alcohol laws
- Maintains integrity of three-tier system of enforcement
- Protects public safety through compliance checks of permittees



PERMITTING AND LEGAL SERVICES

- Issues permits to eligible participants in alcohol industry
- · Revokes, suspends, or denies permits
- · Answers legal questions about Wisconsin alcohol law



EDUCATION & OUTREACH

- Trains and informs local officials on alcohol beverage law
- Provides timely assistance to the public on Wisconsin alcohol law
- Communicates alcohol law changes and events



Alcohol Beverage Accomplishments and Goals

Administer and Implement 2023-2025 Statutes



FY24-25 Biennium Accomplishments

- DAB's first day was May 1, 2024. Since then, the division has grown to 22 positions.
- Successfully launched three new alcohol permit types.
- Updated department systems and processes to reflect 150 statutory changes from 2023 Act 73.
- Published eight editions of <u>DOR OnTap</u>, providing compliance updates and education to licensees and stakeholders.
- Drafted and implemented emergency administrative rules to clarify statutory changes under 2023 Act 73.
- Updated all public facing material (Fact Sheets, Common Questions, Publication) on website to reflect 2023 Act 73 statutory changes.

Provide Excellent Customer Service and Positive Customer Interactions



FY24-25 Biennium Accomplishments

- Created online complaint and inquiry forms to streamline reporting by citizens, businesses, and local officials.
- Held video training, listening sessions, and stakeholder meetings with municipal clerks, law enforcement, and industry groups on a variety of alcohol-related topics.



- Strengthen collaboration with municipal clerks and local law enforcement to ensure uniform application of alcohol laws statewide.
- Continue stakeholder engagement, including regular interactions with industry groups and local governments.

Alcohol Beverage Accomplishments and Goals

Drive Innovation Through Data-Based Decisions and Solutions



Goals for FY26-27

- Modernize the alcohol permitting system, including expanded electronic filing, renewals, and tracking capabilities.
- Improve data collection and reporting to track permits, enforcement actions, and compliance trends.

Drive Continuous Workforce Development



Goals for FY26-27

• Develop long-term staffing and budget strategies to support the division's regulatory and educational mission.





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Division of Lottery

The Wisconsin Lottery strives to provide the greatest possible property tax relief for Wisconsin homeowners by delivering entertaining games, providing outstanding customer service, and operating with integrity and social responsibility.

BUSINESS OPERATIONS



- Prize claims and validations
- Drawings
- Managing retailer licenses and contract compliance services
- · Retailer accounting functions and support
- Player relations, which includes answering the player hotline and online correspondence

OFFICE OF ENFORCEMENT AND COMPLIANCE



- Physical security
- Information technology security
- Retailer inspections
- Criminal investigations
- Drawing security
- Continuity of operations planning





SALES



- Development and implementation of sales programs
- Retailer recruitment and sales support through field marketing representatives
- Key account management of corporate accounts



- Product management
- Market research and analysis
- Marketing communications (advertising, social media, public relations, winner awareness)
- Player relations at special events throughout Wisconsin

Lottery Accomplishments and Goals



Accomplishments

- The Lottery had its fifth highest sales ever in FY25, with over \$861.7 million in total sales
- Scratch games also had their fifth highest sales ever, with over \$607.1 million in FY25
- Lotto games sales were also the fifth highest ever at \$253.3 million in FY25, driven in part by the success of Fast Play, the newest Lotto games launched just before FY24
- Pull-tab ticket sales in FY25, though notably much smaller than the other two product lines, were the second highest since FY13, at \$1.35 million
- Mega Millions transitioned to a \$5 ticket offering new and improved features
- Wisconsin Lottery introduced its player mobile app, providing Lottery information, the ability for players to check their tickets, and other features
- 2024 Corporate Multicultural Communications Award from the National Council on Problem Gambling for our "Pick a Card, Any Card" Campaign in Spanish & Hmong
- Launched a Responsible Gaming section on the Lottery website





Goals

- Achieve the greatest possible tax relief for Wisconsin homeowners
- Provide the best customer service possible to our players and retailers
- Continue to maintain public trust and confidence in the Lottery brand through transparency and access
- Drive Lottery innovation through data-based decisions
- Operational excellence
- Expand our player base in a socially responsible manner