# OPPAL Advisory Committee Meeting Minutes

On Wednesday, November 5, 2014, the meeting of the Optional Personal Property Assessment Link (OPPAL) Advisory Council was held at 10:00AM in the Property Tax Division conference room. Those in attendance included Commissioner Julie Magee, Committee Chairperson Jennifer Byrd, committee members Mandi Freeman, Don Armstrong, Robert Miller, Wendy Williams and Jim Carmichael, Chris Kuykendall, and Greg Norris. Also in attendance were department employees Mike Gamble, Will Martin, Amanda Wolfe, Debbie Hornsby and Gary Graham. Phillip Kinney and Allison Kinney of Barton & Kinney, LLC were also in attendance. Committee members Leigh Ann Fair and Glen Ford were not present.

Commissioner of Revenue Julie Magee opened the meeting by welcoming everyone and thanking them for their attendance. Advisory Council Chairperson Jennifer Byrd reviewed the minutes from the previous meeting. Don Armstrong made a motion that the minutes be approved with Mandi Freeman seconding the motion. The motion carried and the minutes were so approved.

Jennifer Byrd stated that Debbie Hornsby would give us an update on the request for proposal. Debbie stated that since the last meeting, the department had two internal meetings to prepare the Request for Proposal looking for a vendor to perform system analysis, develop requirements, coding, testing, training of property tax expert users and implementation. Debbie explained that the system will be maintained through a separate contract with 32 high level requirements which will require several additional meetings with a provided list of deliverables, evaluation criteria and proposal format. The requests for proposals were mailed on October 17 and are due in the Property Tax Division office by 5:00pm on November 7, 2014.

Jennifer Byrd stated that the department had received several questions from vendors. Debbie Hornsby said that six vendors asked questions. The requests for proposals were sent to 160 vendors and all of the inquiries have been addressed and sent to all of the potential vendors.

Jennifer Byrd asked for approval of a subcommittee to assist in reviewing the request for proposals and to see the demonstrations that would be provided by a selection of potential vendors. The recommendations for the subcommittee are Don Armstrong, Mandi Freeman, Property Tax staff, Debbie Hornsby, and Gary Graham. The subcommittee was approved.

Jennifer Byrd stated that the website is still a work in progress. Jennifer provided all committee members with a listing of the 2015 meeting dates and commended Debbie Hornsby and Gary Graham for the wonderful help they have provided during this process.

Chairperson Jennifer Byrd brought up old business that needs to be discussed. One of the items held over from the first meeting was a cutoff date for filing using the OPPAL system. Even though there will be a cutoff date for online filing using OPPAL, a taxpayer may still file a paper return after that date. Don Armstrong asked were we giving them longer to file a return. Jennifer Byrd said no but we are considering the cutoff date of March or April; however, she noted that the committee needs to vote on a date that is fair. Don Armstrong asked that before the committee considers a date to be aware that Shelby County calculates values and mails Board of Equalization notices on April 9 so the cutoff date needs to be before that date. Jennifer Byrd stated that this is the reason the March 31 date is under consideration and she asked how the committee members representing taxpayers felt about the date.

Robert Miller asked about the difference between an electronic return being late (after December 31) versus a paper return. Jennifer Byrd noted that an error and supplement has to be done by the county when a return is filed late. Robert Miller noted that after December 31 a taxpayer is filing a late return so it should be up to the counties. Don Armstrong stated that he thinks it should be left as is because that is what a taxpayer is used to. Jennifer Byrd stated that a late notice sent to a taxpayer does allow a $5 fee to be added to the amount due. Don Armstrong said he was ok with that and that we should give a 30 day notice because if an error is involved, it will have to be handled anyway. Jennifer Byrd asked if a January 31 date should be considered. Mandi Freeman and Don Armstrong agreed with the January 31 date. Robert Miller said that the January 31 date made more sense. Commissioner Magee noted that this may give the taxpayer some incentive to file online. Jennifer Byrd asked for a motion. Robert Miller made a motion for the cutoff date to use the OPPAL system be set as January 31 of each year. Wendy Williams seconded the motion. The motion carried.

Jennifer Byrd mentioned the "Import/Export" feature and asked that we review what the Commissioner said at the last meeting about allowing the taxpayers to pull from the data and populate the form. Mandi Freeman stated that from an accountant standpoint allowing all depreciation schedules each year may cause an audit issue. Mandi suggested that we only allow additions and/or deletions and that the first time filer can upload the entire schedule and after the first year only make changes with additions and/or deletions. Jennifer Byrd also noted that we had discussed two routes to filing (first time filer and all other taxpayers who have already filed) and that only the first time filer will be allowed to import all schedules. Jim Carmichael noted that for a CPA firm that information is already there. He stated that new clients don't have much to add and they will still enter the information line by line. Robert Miller noted that a first time filer will only have additions anyway. Jennifer Byrd asked about those taxpayers who may not use a CPA. Robert Miller stated that those taxpayers will be hard keying the assets anyway and they will also have fewer assets.

Jim Carmichael asked if the taxpayer be able to designate the county. Chris Kuykendall asked what percentages of filers are not using CPA's. Jennifer Byrd stated that we have no way of knowing that information. Chris stated that we need to know that. Jennifer Byrd explained the system and the way it is going to be set up. She noted that we want it to be user friendly whether a company is large or small and she stated that using the OPPAL system is optional to the taxpayer. Don Armstrong noted that taxpayers have found that once they access the system it is fairly simple.

Jennifer Byrd brought up new business. She stated that the requests for proposals are to be opened on Monday, November 10 at 9:00AM and that the subcommittee will meet on November 21 for the demonstrations by the potential vendors. Jennifer then asked for any other business to be discussed or if anyone had questions.

Robert Miller asked had there been any consideration given to a method to print out a final return before it is submitted so that "another set of eyes" can review it. Jennifer Byrd mentioned that maybe a "save/print" function before submission should be available. Jim Carmichael asked if the review would be in the application or if something would be provided separately. Robert Miller stated that either way would work. Commissioner Magee stated that it can be done and she spoke about MAT (My Alabama Taxes). Robert Miller stated that we needed a print and save feature within the program. Commissioner Magee asked about confidentiality issues. Robert Miller stated there were none and that they had a secure site and a hard copy of the return goes to the taxpayer anyway. He noted that a lot depends on how computer savvy the client is.

Mandi Freeman asked if we were going to allow mass filing. Jennifer Byrd stated that the files will have to be kept on an individual basis because of the unique identifier. Jim Carmichael asked if the number used to determine the tax value will be in the system. Jennifer Byrd stated that no calculations will be done in the OPPAL system and this is strictly a pass through to the county.

Commissioner Magee stated that Arleen Alexander has been hired as a government liaison and she will be the department's eyes and ears on the ground to teach, train and maintain an open dialogue with the counties. Commissioner Magee noted that Ms. Alexander will be attending the advisory committee meetings in the future. Jennifer Byrd stated that she met with Ms. Alexander yesterday and brought her up to date with the committee and OPPAL. Commissioner Magee stated that her role is to interpret complex tax issues in more layman's terms to the counties. She will be working on ONESPOT and ATLAS Alabama as well. Ms. Alexander's background includes being a former lobbyist for the petroleum industry. Don Armstrong asked if Ms. Alexander answers directly to Commissioner Magee and Commissioner Magee confirmed that she does.

Jennifer Byrd asked Debbie Hornsby if she needed anything from the committee. Debbie stated she does not at this time. Commissioner Magee stated that this will be a fluid process with constant tweaking and never completely done. She noted that enhancements will always be needed. Don Armstrong asked if we would like to host the next meeting in Shelby County. Jennifer Byrd stated that Shelby County's vendor would most likely be submitting a proposal to the department. Don Armstrong stated that he felt the committee should see their system and that this is their fourth year online. Commissioner Magee noted that looking is a great idea. Jennifer Byrd stated that most of the committee members have seen the system. Commissioner Magee also noted that it may be a conflict if Shelby County's vendor is submitting a proposal for review.

Jennifer Byrd stated that we will be working with taxpayers once we are further along in the development process. Commissioner Magee stated that if the OPPAL system is like ONESPOT it will be a win/win for everyone and another benefit is the state is paying for the system. Chris Kuykendall stated concerns that the system will be user friendly. Commissioner Magee stated that a public education campaign will be done. She noted that we have ten offices throughout the state and that we can be hands on and will be better than ONESPOT. Chris Kuykendall stated that with ONESPOT we have had people with retail sales who didn't file and a $50 penalty per account was assessed. Chris asked if there is a penalty if someone goes out of business and doesn't file a return. Jennifer Byrd assured him that is not the case in the property tax law and she discussed the penalties that are allowed under the statutes.

Jennifer Byrd thanked everyone for being in attendance and for their input. She stated that she would keep everyone up to date and that the next meeting will be held on Wednesday, January 7, 2015.

The meeting was concluded.