

STATE OF DELAWARE

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NEW LEGISLATIVE CHANGES

- ▶ Personal income tax rate changed to 6.6% for tax year 2014.
- ▶ New special fund:
 - ▶ Protecting Delaware children fund contributions.
 - ▶ New Extension form 1027.

Delaware going Green – License Renewal

- ▶ **ONLINE LICENSE RENEWAL TUTORIAL**
- ▶ The Online License Renewal System can be directly accessed at <https://delweb.revenue.delaware.gov/licenow/>. You can also access it through the Division of Revenue website by going to <http://www.revenue.delaware.gov/licenses/>. In the left column under the heading of "Services" click "Online Services". Then, under the heading of "Business Tax", click "Renew a Business License". After reading FAQ's (see below), click "Next" to get started.
- ▶ **Getting Started/FAQ's**
- ▶ **What licenses can be renewed here?**
 - ▶ Almost any business license issued by the Delaware Division of Revenue can be renewed online for one year (2015) or three years (2015 - 2017).
- ▶ **Can I renew my Professional Regulatory License here?**
 - ▶ Certain professions are required to be certified and licensed, independent of our state business license requirements, in order to perform professional services in Delaware. To renew a Professional Regulatory License, visit the [Delaware Division of Professional Regulation](#).
- ▶ **Can I renew my city or county business license here?**
 - ▶ This site is for renewal of State of Delaware business licenses only. For information on city or county business licenses, please visit the [delaware.gov](#).

- ▶ **What do I need?**
 - ▶ Your business license number, which can be found on your current license.
- ▶ **What payment options are available?**
 - ▶ **Direct (ACH) debit**
 - ▶ Payment is made electronically from a checking or savings account.
 - ▶ You must provide your bank's routing number and your account number.
 - ▶ Funds must come from a U.S. account.
 - ▶ **Credit card**
 - ▶ Visa, MasterCard, Discover, and American Express are accepted.
 - ▶ Debit cards with a credit card brand are also accepted.
 - ▶ The card billing address must be in the U.S.
- ▶ **Can I change my address or other information online?**
 - ▶ Yes, you can submit change instructions with the license renewal.
- ▶ **Can I apply for a new business license online?**
 - ▶ Yes, using [this tool](#). (If you prefer, you can download an application to print and mail [here](#).)
- ▶ **Can I get a temporary license online?**
 - ▶ Yes. After submitting your renewal, a temporary license will be produced for you to print. A one or three year license will be mailed to you within 30 days.

SAME SEX COUPLES / CIVIL UNION

- ▶ Same sex couples who are not legally married but living together will file as "single"
- ▶ Same sex couples who are legally married can only file as married filing "joint" or married filing "separate", they cannot use the filing status "single"
- ▶ Federal law: Same-sex couples can file prior year amended returns as long as the returns are in statute - same for Delaware. Delaware law effective January 1, 2012.

MODERNIZED E- FILE

- ▶ Delaware can allow the forms below thru e-file:
 - ▶ Form 200-01 (Resident)
 - ▶ Form 200-02 (Non-Resident)
 - ▶ Delaware Form 2210
 - ▶ Federal returns and schedules, VV-2 and 1099.
- ▶ Delaware will allow attached pdf. files of other state return(s)
- ▶ At this time we are not able to see Form 700, Schedule W, De IRA and Form 329.

MODERNIZED E-FILE: SUMMARY

- ▶ PIT received in 2014 – 430,501 – 81.2%
- ▶ PIT received in 2013 – 387,790 – 76%
- ▶ Corporate received in 2013 – 14,556
- ▶ Corporate received in 2014 – 17,739
- ▶ Partnership update... Delaware is NOT expecting to be completed for Tax Year 2014.

DELAWARE E-FILE: SUMMARY

- ▶ Internet returns filed for 2013 – 35,766
- ▶ Internet returns filed for 2012 – 8,047
- ▶ Paper returns filed for 2013 – 99,682
- ▶ Paper returns filed for 2012 – 118,766

AVERAGE REFUND TIME COMPARISON

- ▶ Tax Year 2013
 - ▶ Elf without exception 6.4, with 21.1 days
 - ▶ Internet without exception 5.7, with 24.6 days
 - ▶ Paper without exception 34.1, with 67.9 days
- ▶ Tax Year 2012
 - ▶ Elf without exception 6.0, with 37.8 days
 - ▶ Internet without exception 5.6, with 18.0 days
 - ▶ Paper without exception 14.4, with 34.7 days

OTHER STATE RETURNS /CREDIT

- ▶ Delaware will request other state return(s) if there are no W-2(s) showing which state the taxpayer worked in compared to the credit claimed
- ▶ If the return shows a higher credit amount then the W-2 withholding – the other state return may be requested
- ▶ If a paper return is filed and the other state return is not attached – a letter may be issued requesting the information

MAILROOM MODERNIZATION

- ▶ Starting in 2013, the Delaware Division of Revenue started using check 21 for check processing.
- ▶ We will start processing and scanning PIT returns and bills thru the new system.

ITIN RETURNS - UPDATE

- ▶ Affective for Tax Year 2012 returns going forward...
 - ▶ Delaware will review ITIN returns like other states
 - ▶ Correspondence may be sent when names and social security numbers are not matching the W-2 attached with the tax return.
 - ▶ We may also be requesting photo IDS to verify the individual matching the employer records

FRAUD RETURNS

- ▶ As of Tax Year 2013, all first time filer returns will be stopped and reviewed manually in our system.
- ▶ Currently, over 3,000 returns have been stopped and reviewed.
 - ▶ Over 1 million in refunds have been disallowed and labeled as "fraud".
- ▶ IDENTITY THEFT ISSUES
 - ▶ Criminal Investigator – David M. Smith
 - ▶ Email – David.m.smith@state.de.us
 - ▶ Telephone – 302-577-8958

Questions?

THANK YOU
