

The BC bill collector

by Jeff Jedras

British Columbia's Ministry of Provincial Revenue is looking for a little private sector help in collecting over \$700 million in receivables and back taxes.

A request for proposal closed in early August to solicit proposals for a private sector partner that would work with the province to transform and consolidate the government's revenue management business processes, and the government is now reviewing those proposals.

Bill Barisoff, provincial revenue minister, explains that following the June 2001 election the Ministry of Provincial Revenue was created with a focus on the efficient collection of tax revenue, forestry stumpage, oil and gas royalties and overdue accounts receivable – functions that had previously been undertaken by several ministries. Today, the ministry manages about \$15 billion in receivables annually.

The government has three stated goals for the new revenue management system it hopes to put in place: maximizing revenue collection for the government; improving government efficiency and streamlining processes for taxpayers; and improved reporting and performance management.

With more than \$700 million in outstanding over 90-day receivables and that number continuing to grow, Barisoff says the current system is clearly fragmented and in need of reform.

"[Our] goal is to create a single, consolidated revenue management business solution for government that will result in an integrated, streamlined business environment ensuring fairness, efficiency and improved service delivery for taxpayers," says Barisoff.

Among the problems the ministry has identified with the current revenue collection system are: a lack of focus on revenue management across the government; inconsistent administration, policies and practices; a lack of incentives for ministries

to improve the quality of their receivables; a fragmented view of a customer's full revenue picture; insufficient systems support; and limited enforcement and compliance programs.

That's where a private sector partner would come in. Barisoff says it's still too early to say what a new model could look like, but the government is hoping to bring private sector experience and best practices to government.

"Under the new model, ministries are expected to continue delivering their respective goods and services. However account management, billing, payment processing and collections will, over time, become the responsibility of the Ministry of Provincial Revenue," says Barisoff. "Government will be looking for proposals that best stimulate economic development for the people of British Columbia.

Once a partner is chosen, they will begin to work with the ministry in developing a new system. While it's too early to say what a new system could mean for government employees, Barisoff says out-

sourcing or privatization are a possibility, provided the business case is there, leaving the future of some of the ministry's 950 employees in doubt.

"Nevertheless, the focus of the project is to improve revenue attainment for government while keeping costs as low as possible," says Barisoff. "Those increased funds can then be directed to other priorities, such as health care and education."

While tax collection is separate from the ministry's revenue management system and isn't currently under review, Barisoff declined to rule out its privatization as a future possibility.

"The whole system of tax collection is very efficient," said Barisoff. "It is something the ministry might want to integrate later with the revenue management process, but at this point in time, it is a system that is new and works well." ■■■

Jeff Jedras is a Vancouver-based freelance journalist whose work has appeared in *Silicon Valley NORTH*, *Technology in Government* and *Computer Dealer News*, among others.

