

Request for Proposal #2017-01 Underreporting of Cash Sales

1. The RFP Response Checklist on page 2 omits the Technical Proposal. Should the Technical Proposal be added to the checklist? **The Technical Proposal is to be included as part of the first item in the RFP Checklist.**

2. Which of these elements will be included in the sales tax data that MDOR will provide pursuant to RFP Section 9.1(1)? **These elements can be provided if the winning vendor requests this information, and the MDOR determines it is necessary for the services rendered to the MDOR. Information not necessary to provide the services to MDOR will not be provided.**

- a. FEIN
- b. Legal Name
- c. DBA
- d. Addresses – Location & Mailing
- e. Details of Sales Tax Returns:
 - i. Gross Receipts
 - ii. Deductions
 - iii. Etc.
- f. Additional Data, to be determined.

3. What information from the 1099Ks will be included pursuant to RFP Section 9.1(2)? **All information would be available to be included at the request of the winning bidder and upon justification as to the business need for the information and how this information will be used to provide the services requested under the RFP.**

- a. Filer Name & Address
- b. Filer TIN
- c. Filer Type
- d. Payee Name & Address
- e. Payee TIN
- f. Payment Type
- g. Transactional details
 - i. Date
 - ii. Amount
- h. ID numbers
- i. Other

4. RFP Sections 9.1(1) and 9.1(2) indicate MDOR will limit the information provided to the Contractor. What is the reason for limiting the data? **Limitation is based upon the how the data will be used to provide the services requested under the RFP. MDOR will not provide information that is not necessary to find unregistered taxpayers or underreporting taxpayers.**

5. If the Contractor demonstrates how MDOR would make more money more quickly by providing more data, would MDOR be open to negotiating additional input data for this project? **Yes.**

6. We would like access to MDOR's data for importing into the system prior to the contract's start date. Is MDOR willing to provide data to the Contractor before the contract begins, so the Contractor can start performing its responsibilities on day 1 of the contract term? **MDOR will provide data prior to the contract start date but not until the contract is signed.**

7. Does MDOR envision a turnkey solution requiring the Contractor's staff to conduct all research, perform all analyses, identify taxpayers unregistered or underreporting sales tax, and offer all guidance and compliance enforcement pursuant to RFP Sections 2.0 and 9.2? Or does the MDOR prefer the Contractor provide MDOR end users access to an online research solution allowing MDOR employees to conduct and accomplish items listed in Sections 2.0 and 9.2? **MDOR envisions a turnkey solution; however, we are willing to review other proposals that meet the requirements of the RFP. The RFP does require contractor to identify taxpayers who are unregistered or underreporting.**

8. To fulfill RFP Sections 2.0 and 9.2, is MDOR seeking audit and investigative support – meaning the Contractor's staff members would conduct auditing/investigation of leads and provide MDOR with conclusions and results? **MDOR is not seeking audit or investigations. MDOR is seeking information that will lead to the recovery of unpaid taxes from unregistered or underreporting businesses.**

9. If MDOR is seeking auditing/investigation support from the Contractor, would it include visits to taxpayers, or just cursory reviews for MDOR employees' considerations and follow-ups? **Site visits are not requested. Information will be used to issue letters or to provide leads to MDOR employees for site visits, audits, investigations, etc.**

10. RFP Sections 2.0 and 9.2(3) require "compliance enforcement support." Please provide details of what that involves. **Compliance enforcement support may include items such as letters, phone calls, etc.**

11. RFP Section 9.2(3) requires "guidance." Please explain the guidance MDOR requests from the Contractor. Is it possible that the Contractor would need to provide MDOR an economist to testify during litigation? Contractor should provide the reasoning behind a taxpayer being included in a report for being unregistered and/or underreporting of sales tax. **Contractor may be called upon during litigation to discuss methods used to determine unregistered or underreporting taxpayers. An economist would only be required to testify during litigation if an economist had performed work related to the contract. An economist is not required for this RFP.**

12. To fulfill RFP Sections 2.0 and 9.2, does MDOR require the Contractor to provide call center support related to this project? **MDOR does not require a call center.**

13. In Section 9.1(4) the RFP states, "MDOR selects taxpayers for which Contractor will provide guidance and compliance or compliance enforcement support." Does this mean that MDOR will give guidance about MDOR's interest *before* the Contractor conducts a discovery for non-compliant taxpayers? Or does this section refer to a deep dive into information after a list of potentially non-compliant taxpayers are discovered? **MDOR will be selecting which leads to take action on and what type of action will be taken. This may occur before or after the Contractor conducts a discovery for non-compliant taxpayers.**

14. Please describe the process of collecting tax funds that are owed. Who will manage the collections process? MDOR will manage the collection of taxes. Payments will be made to MDOR and posted in our systems to provide proper accounting of tax collections and distributions of those funds.