Abstract
A Comparison between the Similarities and Dissimilarities
Of the Dept. of Revenue Function

Tamika Linton
Student Researcher, Activity Based Total Accountability Institute
tlinton2008@fit.edu

Kenton Lord
Student Researcher, Activity Based Total Accountability Institute
klord@fit.edu

College of Business
Florida Institute of Technology
150 W. University Blvd.
Melbourne, FL 32901

The function of the Department of Revenue was researched across all fifty states. Comparisons were made to determine to what extent the activities were similar in each state. The main objective for this research was to determine if it is practical to develop a system that compares financial data for each state in specific departments.

The research that was done at the ABTA Institute was hindered mostly due to a lack of comparability across all the states. In financial accounting and reporting, it is a required guideline that all financial data reported be consistent across the years and be comparable within the particular industry. Why do the same principles not apply in governmental accounting and reporting?

There was also the issue of the activities varying from state to state. The example used in the paper was a contrast between Alaska and Maryland. For the activity of collecting taxes alone, the differences were so drastic in just the types of taxes charged that it was futile to try to make a comparison between the two that wouldn’t have caused skewed, meaningless results. In fact, the only core activity that was identifiable across all 50 states within the Department of Revenue was the collection of taxes.

While the ABTA table format for individual activity costs can still be utilized for each state, it loses some credibility as it’s impossible to compare one state with another with reasonable accuracy. If the core activities for each state’s Department of Revenue vary so greatly, then it’s safe to assume that the costs for each of those activities are also going to vary just as much as well, which results in an invalid comparison.