



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

PAT MCCRORY
GOVERNOR

ART POPE
STATE BUDGET DIRECTOR

June 14, 2013

MEMORANDUM

TO: Elizabeth Colcord, Department of Revenue

FROM: Art Pope *Art Pope*
State Budget Director

SUBJECT: Approval of Collection Cost Worksheets for Civil Penalties, Fines, and Forfeitures

The Office of the State Budget and Management (OSBM) is required by the General Assembly (G.S. 115C-457.2) to approve the percentage of the civil penalties, fines, and forfeitures collected by State agencies, boards, and commissions which can be withheld as collection costs. The percentage is based on the actual collection costs incurred by the agencies, boards, and commissions for the prior year, and cannot exceed 20 percent of the amount collected. Effective July 1, 2006, and annually thereafter, State agencies, boards, and commissions must submit for OSBM's approval a Collection Cost Worksheet that reflects their actual costs of collecting civil penalties, fines and forfeitures for the previous year. Agencies that do not submit worksheets and receive OSBM's approval will not be able to withhold any collection cost.

Attached is a worksheet and instructions that the Department of Revenue should use in determining the Department's actual costs of collecting civil penalties and submitting the worksheets for OSBM's approval.

If you have any questions about completing the worksheet, please contact Donald Crooke at 919-807-4729 or Donald.Crooke@osbm.nc.gov. If Donald is unavailable, contact Barbara Baldwin at 919-807-4721 or Barbara.Baldwin@osbm.nc.gov.

Thank you.

Attachments: Instructions for Submitting Collection Cost Worksheets
Department of Revenue Collection Cost Worksheet
Department of Revenue Sample Collection Cost Worksheet

cc: Secretary of Revenue, Lyons Gray