

MDP Project: New Electronic Payment Options PowerPoint

Franchise Tax Board Meeting
Tuesday, March 26, 2024

Slide 1: MDP Project: New Electronic Payment Options

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March 26, 2024

Slide 2: FTB Strategic Plan Goals

Goal 1: Exceptional Service

Strive to continuously enhance our customer's experience

- Champion an organizational culture to achieve positive customer experiences
- Educate our customers on the use of multi-channel services and information to improve their experience

Slide 3: Current Payment Options

- Web Pay
 - Via bank account
 - No charge to taxpayer
- Credit card payment
 - 2.3% service fee charged and retained by vendor

Slide 4: Web Pay Experience

- Collected data from FTB's e-Programs Section
- Web Pay conversion rate down 10% since 2017
- Lower percentage of visitors following through with making a payment on our Web Pay site

Slide 5: Web Pay Experience (Continued)

- Payments submitted with incorrect payment creates time consuming manual work.
- Increases payment processing time.

Slide 6: Web Pay Changes

- Make the Help link more visible
- Include information to guide users to the Help link

Slide 7: Web Pay Changes (Continued)

- Tutorial videos on FTB's payment landing page

- Payment options
- Payment types

Slide 8: E-payments: What We Did

- Reviewed FTB's current payment options
- Contacted other California departments
- Researched payment options for other state revenue departments
- Gathered data on recent payment trends

Slide 9: E-payments: What We Found

- Studies show expected increase in usage of digital wallet payments:
 - Currently, over half the U.S. population
 - By 2025, an increase to over 2/3 of the U.S. population
 - In 2023, worldwide usage was over \$9 trillion
 - By 2028, expected to exceed \$16 trillion

Slide 10: E-payments: What We Found – Tax Payments

- Over half of Personal Income Tax (PIT) payments are made electronically
- PIT credit card payments are up 77%
- IRS collected \$112 million via PayPal and Venmo

Slide 11: E-payments: The Future

We are continuing to explore and evaluate all electronic payment options.

Slide 12: Questions?

Slide 13: Public Comment