

# Audit Report

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Tax Management Associates, Inc.



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celebrating the

# 45<sup>th</sup> year ANNIVERSARY

of Tax Management Associates, Inc.



## News Today

### 45 Years and Counting

For 45 years, Tax Management Associates, Inc. (TMA) has been in the business of assisting state and local taxing officials in their day-to-day duties of administering and managing tax systems. Founded in 1968, TMA is the leading provider of tax consulting services to state and local governments. We are proud to be the best through our innovative design. We achieve this through our integration of technology and expertise. by Jennifer D.





# face-to-face

*Rediscovering the Lost Art of Communication* • by Chip Cooke

Everyone knows that the outbreak of Covid-19 was rough, and just like the yearly seasonal flu, it is probably here to stay. We also remember the hardships of our first response to the virus; stay away from others, mask up, stay home from school, and more personally for me, stay away from the office.

I never did.

There were many reasons for that decision. First, TMA qualified under all of the appropriate categories for a necessary ongoing business, important to the support and welfare of our industry. Second, it just didn't feel right to leave the ship rudderless. However, after four long years of Covid and post-Covid, we are seeing effects across the board on business practices and the way in which we interact with others.

When someone asks me the most

important skill in business to attain, I always come back with the same answer. You may immediately jump to the premature conclusion that it might be finance, organizational behavior, accounting, or marketing. Yes, these are all courses I took in business school, but are by no means, in my opinion, the most important. Do you need skill sets? Of course you do; but these are all tactical – somewhat similar to knowing the best way to refinish a kitchen. For me, there is an overarching skill that trumps everything tactical. Communication.

Communication, for me, is what holds your life together. It encompasses how you talk to your spouse or partner, your children, your friends, and those with whom you come in contact with on a daily basis. In business it comes to three main areas. How well do I communicate with my coworkers? How well do I communicate with my clients? How well do I communicate

with my business partners?

With coworkers, clear and direct communication is paramount because you don't always get that with a phone call or email. What are my needs and expectations? What are their concerns and opportunities?

With clients, what is the value proposition of my company and how is that best delivered to each? Do they have unmet goals or timetables that may be in jeopardy? Are we doing a good job, and more importantly, what can we be doing better?

For business partners, whether that be legal, accounting, suppliers, and the like – how can they assist TMA in making the experience better for both our coworkers and clients?

Before the pandemic, this wasn't an issue. Face-to-face conversations and in-office meetings were the normal

way of things. Why does that matter? Being across the table from someone shows that you are willing to take the time to sit and understand an issue, concern, or opportunity. You are able to read body language. Does my counterpart look engaged, confused, irritated, or just plain bored? Subtle gestures help guide the conversation, something online and phone calls fail to deliver. Face-to-face establishes trust and the ability to get to really know the person.

This leads to the very controversial, but somewhat new phenomenon of in-office versus at-home participation in the workplace. As I write this, the pendulum is swinging back to an in-office normal. Major companies such as Amazon, BlackRock, J.P. Morgan, and Disney are requiring their employees to return to the office environment. One statistic I read noted that 90% of companies would be back in the office by the

end of 2024. That number is not insignificant in the least. It shows that management sees the inherent benefits of face-to-face collaboration.

Why, particularly, do I promote this work environment? I want to see you and say hello in the morning and goodbye in the afternoon. I want to be able to walk down the hall or upstairs to have an impromptu conversation without setting up a Microsoft Teams meeting. I want to bump into you in the breakroom and find out how your weekend was – maybe hear about how your kids are doing, or if you have any concerns for me to address. I love seeing groups in our boardrooms huddled over coffee and laptops making the best solutions possible for our clients.

Ultimately each company and client will make their own decision on the path they would like to take, but the data definitely shows that most are

swinging back to in-person.

In conclusion, as we navigate the ever-changing landscape of post-pandemic work environments, one fundamental truth remains clear: effective communication is the cornerstone of success in both personal and professional spheres. Whether interacting with coworkers, clients, or business partners, the ability to convey ideas clearly and empathetically fosters trust, understanding, and meaningful collaboration.

While the recent shift towards remote work has its advantages, the resurgence of in-person interactions highlights the irreplaceable value of face-to-face communication. As we embrace this new era, let us remember that innovation thrives on connection, and it is through genuine human interactions that we can truly unlock our collective potential.



# homestead

*At the Forefront* • by Jennifer Dixon

A homestead exemption is a measure implemented in various jurisdictions aiming to lessen the burden of property taxes on homeowners. The concept is simple yet impactful: it allows a portion of the assessed value of the property to be exempt from taxation. The exemption typically applies to the primary residence of the homeowner, where they live for the majority of the year. Eligibility criteria for homestead

exemptions can vary depending on the jurisdiction. Also, the term can be identified differently in different states (Homestead Deduction in Indiana, Homestead Exemption in Florida, or Legal Residence Exemption in South Carolina). Typical requirements for receiving the exemption include proof of residency and adherence to specific residency periods. Some jurisdictions impose income limits or

age requirements for eligibility.

Unfortunately, whenever a government offers a tax break or provides other benefits, some will attempt to manipulate the system and collect benefits they do not deserve. On other occasions, the ill intent is not there, and the taxpayer is unaware they are out of compliance with state and local laws. When improper claims are made

they have significant impact on the tax base.

What happens when someone files for multiple exemptions? Perhaps they own several properties used as rentals but claim they primarily live in more than one. Some taxpayers incorrectly believe they qualify for exemptions in multiple states. If you have a permanent residence, you may only receive a

tax break on that property. In some instances, taxpayers are getting away with filings on multiple exemptions. This may occur if local governments do not have the resources to allow them to view data across jurisdictions throughout the country.

Another instance of improper filing occurs with deceased property owners. If the new property owner does not transfer the property out of the deceased owner's name, this allows the new owner to receive the exemption. Even if the property is willed to someone, if it does not go through probate for transfer, the property does not qualify for an exemption.

We can endlessly review the scenarios and different circumstances of improper filing and fraud, but rather than focusing on the problem, let's shift our attention to the solution.

TMA has been at the forefront of addressing such challenges in this specific realm of taxation for nearly 15 years, conducting Homestead Exemption Audits to recover millions lost due to fraudulent claims. Through strategic partnerships and extensive data analysis, TMA has uncovered over \$300 million in benefits for clients, assisting jurisdictions like Florida, Georgia, Indiana, Louisiana, South Carolina, and Washington, D.C. Although TMA has progressed in the fight against non-compliance, there is still more to do!

TMA's story isn't just about numbers and data - it's about the people behind the scenes. TMA analysts utilize data to locate improperly filed exemptions. This data allows TMA to view a larger picture of what the property owner chooses to declare or not to

declare, not the fraction of data they choose to present to the jurisdiction. For example, the data we receive and utilize allows us to view real property, licenses, addresses, and even where mail is delivered. The data cross-references millions of identities containing all the different names, aliases, addresses, tax ID numbers, and owned properties of a person.

Jurisdictions may only view information property owners want to share. Perhaps the property changes owners or the owners change identity status and do not tell the government. This scenario creates incorrect data for the jurisdiction and may lead to fraudulent exemptions.

Why would jurisdictions pay TMA for validation services? TMA has resources and personnel that significantly reduce the time needed to research the thousands of exemptions filed. Conducting the validation process timely and effectively helps prevent taxpayers from paying additional back taxes. TMA professionals also handle all correspondence with residents and documentation of findings. Talk about a turn-key full-service solution!

Tackling waste, fraud, and abuse is the core focus of TMA's services. We pride ourselves on assisting jurisdictions with establishing ongoing programs to hold everyone accountable. Maintaining fairness and equity in the tax base is our goal for every program. TMA investigators have reviewed over 3,000,000 primary residence exemptions and worked on over 45 successful projects. Data and investigative strength ensure jurisdictions can limit improperly filed exemptions and we can continue to contest fraud nationwide.



# ask jennifer

Get to know Jennifer Dixon, TMA's Marketing Mastermind • by Ryan Hunter

**How did you get started at Tax Management Associates (TMA)?**

With persistence! I interviewed at TMA the summer after I graduated college. Although the interview went well, I did not have the graphic design experience required for the position. I enrolled in continued corporate education courses that I would attend after my 8-5 to learn about the design programs I now work in daily. After successfully completing these courses, I followed back up with TMA to let them know I took their advice and learned about graphic design. I completed a design challenge amongst other applicants, and I was chosen for the position. I was hired in November of 2016!

**What have you done to put your stamp on TMA's Marketing?**

When I started at TMA, I was tasked with the rebrand of all company marketing materials. So where do I start? I have changed the look of everything, literally everything including: Advertisements, The Audit Report magazine, booths, banners, brochures, business cards, buck slips, campaigns, copywriting, email marketing, executive summary, flyers, folders, forms, graphics, intranet, invitations, letterhead, logos, maps, postcards, posters, presentations, promotional items, resumes, stationery, video editing, web design. Am I forgetting anything?

**Tell me about your first day at TMA.**

One part of my first day that I think about often is when we set up the file structure on my new laptop. A simple yet important task. The main folder on my desktop is titled "Approved" because in your wise words Ryan, "everything you make will be approved." I felt believed in then, and I still do!

**How do you succeed in Marketing?**

By being incredibly thorough. This pertains to considering the many ways your marketing efforts will be perceived, but also refers to how detail-oriented you need to be! You need to be persuasive, but not pushy. You need to be clever, attentive, and extremely opinionated.

**Most spontaneous thing you have done?**

A friend asked me on a Friday afternoon if I wanted to go on a weekend trip. We booked a flight to leave less than 12 hours later on Saturday morning and went to Boston for a brisk 27-hour trip. It was a blast!

**What is fun when you're not working?**

After years of nearly perfect attendance at Panthers football games and going to as many Hornets basketball games as possible, I have shifted my interests to live music. I've seen 40 bands over the past couple of years.

**Any unusual skills?**

My green thumb. I have over 30 houseplants. They are all thriving! Isn't that crazy!?

**How do you unwind?**

Cooking. It's hard to think about the difficulties of the day when you are busy chopping vegetables or attempting to create a brilliant new combination of flavors. I like to freestyle in the kitchen and my creative ideas are successful 98% of the time.

**Name something you can't stop talking about.**

I have watched every season of Big Brother and it is my favorite show. For those of you that know, I can go on forever about it.

**How do you stay inspired and keep up with current design trends?**

Sometimes I feel like inspiration finds me! Keeping up with current design trends is easy when you are a curious person — my eyes are always peeled and I love to conduct research.

**Best Halloween costume?**

My birthday is on Halloween - I have an impressive resume of costumes. The year I started wearing glasses I wore a red and white striped shirt to dress as Waldo. I've done everything from professional skeleton makeup, 24-hour purple hair dye, to a simple \$12 pumpkin costume.

**Who has influenced you?**

This is easy - my parents! I am very fortunate to be their daughter. I've looked up to them for my entire life. They are the smartest people I know and incredibly hardworking, determined, thoughtful, kind, and loving. Just the best. Everyone who knows them would agree. I have learned so much from them.

**How would your Mom describe you?**

One of one. Literally. I am an only child.

**What would your career be in another life?**

Interior Designer. I love to decorate. My ideal client would have a bazillion dollar budget. There are a lot of furniture and art pieces on my wish list.

**Where are you a regular?**

Summit Coffee in the NoDa neighborhood of Charlotte. The baristas know that I always want an espresso soda with their seasonal syrup. Blueberry is my favorite.

**Is there anything you are overly competitive about?**

Connect Four and Air Hockey!

**One goal you have for this year?**

Every year I travel to somewhere I've never been to. That was a dream my parents had for me growing up. Last year we explored the Pacific Northwest. I loved Seattle and our "Oregon Trail" which included Eugene, the beautiful coast, Willamette Valley, and Bend.

**What is your typical Saturday like?**

Wake up without an alarm, get some coffee to go, order an acai bowl for breakfast, and watch an episode of The Price is Right.

**Name something about you that surprises people.**

I had quite a line-up of hobbies growing up. Basketball and softball were pretty normal activities for me. The surprising hobbies were that I played the drums, I was an avid golfer, and I did Tae Kwon Do six days a week. I am a black belt!



# securing your success

*Leading the Way in Audit Solutions & Cybersecurity Excellence • by Johann Vaz*

In an era where digital transformation shapes every facet of business, Tax Management Associates (TMA) stands at the forefront, not just embracing change but leading it. Our commitment to innovation, security, and excellence ensures that when you entrust your business to us you are not just getting a service provider – you are gaining a partner in success.

At TMA, we understand that the backbone of our services lies in our robust audit solutions through our

team and unyielding cybersecurity. It is not just about protecting data assets; it is about safeguarding trust, ensuring continuity, and fostering growth. This is why we have dedicated ourselves to furthering our momentum on innovation and productivity. We want to ensure that our clients receive nothing but the best.

In today's digital age, where innovation and productivity are the driving forces behind success, the need for robust cybersecurity has never been

more critical. At TMA, the security of our systems is not just a technical requirement but a cornerstone of the trust and quality we promise to our clients. Our commitment to cybersecurity is unwavering and we are proud to share how we are furthering our momentum in this vital area.

### A Foundation of Security

At the heart of our approach is the principle of "security by design." TMA's cybersecurity plan is comprehensive and

proactive. This means that every solution we develop, every service we provide, is built with security as a foundational element, not an afterthought. We ensure the stability, confidentiality, integrity, and availability of our systems to support the high-quality services and solutions our clients have come to expect from us. To this end, we employ advanced measures such as cloud security broker controls, data loss prevention, multi-factor authentication (MFA) to our applications, 24/7 threat monitoring services, and secure file

handling practices. These are not just features; they are our commitment to your peace of mind.

In our quest to offer unparalleled security, we leverage industry-leading cloud platforms and partner with leaders in the security space. This collaboration has enabled us to craft a defense in depth approach for all data and information touchpoints. This strategy ensures that every aspect of our business operations and national workforce is shielded from potential threats, allowing us to focus on what we do best: providing quality and secure audit and revenue enhancement services.

### Quality and Security By Design

At TMA, quality and security are not just afterthoughts; they are embedded in our DNA. Aligned with industry-standard security control frameworks, we ensure that our solutions meet the highest standards of excellence. But we do not stop at just implementing advanced security measures. We believe the strength of our cybersecurity also lies in our team's hands. That is why we are continuously increasing the security IQ of our employees through ongoing awareness campaigns. By building security and quality from the ground up in what we do and how we do it, we empower our employees to be proactive in maintaining our high standards of security.

### Innovating for a Secure Future

Our commitment to innovation is unwavering. Leveraging TMA's Vantage, industry-leading cloud, and integration platforms, we are not just keeping pace with technological advancements; we

are setting the pace. Our innovative technologies lay a solid, secure foundation for exciting new products and services we plan to offer later this year. We are not just thinking about today; we are planning for a secure tomorrow.

### Seamless Integration and Unmatched Insight

Understanding the importance of seamless integration, we provide new ways to securely connect with your existing systems. Our solutions offer day-to-day administration and insight into all things tax, ensuring that you are always aware and in control.

### A Commitment to Excellence

Our journey does not stop here. We are continuously investing, partnering, building, integrating, and testing to bring you a true position of "Vantage." It is not just about providing services; it is about empowering your business, enhancing your operations, and ensuring your success.

### Trust in TMA and Secure Your Success

In a world of uncertainties, one thing remains certain: TMA's unwavering commitment to your data security during our engagement, and the quality of the services we provide you. Our pioneering approach to audit solutions and cybersecurity is more than just a strategy; it is a promise. A promise to stand by you, to protect your interests, and to propel your business forward. When you trust your audit services to TMA, you are not just making a choice; you are making an investment in a secure and value-adding partner.



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