

Class Concept

This position is the working level auditor responsible for identifying taxpayers not in compliance with all tax schedules administered by the Department including, but not limited to, corporate income, corporate franchise, partnership, gift/inheritance, fiduciary, sales, use, individual income, privilege, tobacco, OTP, MSA, white goods, scrap tire, bank tax, highway use tax, withholding, soft drink, dry cleaning solvent, gross receipts, and other tax types, and performing an audit on the books and records of the taxpayer, financial information, and third party data to determine accurate tax liability and recover lost revenue from each of the tax types.

This position performs examinations based upon the books and records or utilizing an indirect methodology for State tax purposes involving all tax schedules administered by this Department. Individuals within this position will perform audits of various business types and classifications, of all sizes, measured in gross receipts, assets, employees, etc., from multi-national entities to a sole proprietorship; and structures, from corporations, flow-through entities, including their various subsidiaries and divisions, professional associations, sole proprietorships, non-profit entities, and individuals. Audits conducted by this position are comprehensive investigations into the business, accounting and tax practices of the taxpayers involved and are therefore of substantial importance both in terms of potential tax consequence and enforcement impact. Employees of this class examine available accounting records and documents to determine the type of accounting methods and tax reporting procedures used by the taxpayer. The examinations require extensive analysis, not only of the taxpayer's books and records, as well as their overall business and/or personal financial situation, but also requires wide-ranging research into tax law, both state and federal, as well as settled court cases. This position will be required to secure third party data to reconstruct taxpayer records forensically to determine level of non-compliance and tax liability. This position will audit taxpayers involved in illegal activity and must be prepared to testify as an expert witness.

This position conducts direct interviews with taxpayers, attorneys, accountants, and third parties to determine taxpayer business operations and secure factual information within the audit process. This position maintains responsibility to summons information when not provided during an interview or subsequent information document requests. This position must have a working knowledge of all audit methods and application of methods within technical and complex examinations.

This position meets with, discusses, and explains audit scope, method and findings with the taxpayer, business firms, accountants, and/or attorneys; offers assistance as requested relative to tax reporting and interpretation of various state tax laws to increase tax compliance.

Recruitment Standards

Knowledge, Skills, and Abilities

- Thorough knowledge of accounting principles and auditing techniques and the ability to apply these techniques while analyzing a taxpayer's business operations to ascertain the correct tax liability is mandatory.
- Considerable knowledge of the revenue laws of North Carolina, the North Carolina administrative code, the divisions' technical advice memorandums and directives, departmental policies, Secretaries' decisions, court decisions, and Attorney Generals' opinions is required to facilitate the auditors' examinations for all tax schedules, excluding motor fuels and insurance premiums taxes. Working knowledge of the Internal Revenue Code, and court cases from other states, is necessary.
- Working knowledge of a variety of accounting systems, including computerized systems, including those peculiar to certain businesses and industries in order to make complex tax determinations is required.
- Ability to investigate beyond what is reported on a tax return, or to detect situations where the potential exists for taxes to be understated or expenses/deduction to be overstated, and the ability to recognize potential fraud is required. The incumbent must be thorough enough to accumulate all

Note: This is a generalized representation of positions in this class and is not intended to identify essential functions per ADA.

pertinent facts and documentation, but also must exercise adequate judgment to know when to end an examination.

- Ability to analyze and interpret broad and diverse types of accounting data, and in the absence of records, apply the appropriate auditing method to reconstruct and develop accounting data to determine tax liability.
- Ability to determine tax violations of and non-compliance with tax laws, and to detect and explain significant irregularities concerning tax matters.
- Ability to establish and maintain effective working relationships with individuals and firms being audited in order to obtain the maximum cooperation in carrying out the requirements of the Revenue Act.

Minimum Education and Experience

Bachelor's degree in Business Administration, Economics, Accounting or related field with at least eighteen semester hours of accounting from an appropriately accredited institution; or an equivalent combination of education and experience.