THE COUNTY PROJECT

Correcting USPS addresses using the 911 database

CHATHAM COUNTY
NORTH CAROLINA

BASICS OF SALES TAX REPORTING

- Vendors are required to report to the NC Department of Revenue (DoR) sales tax by county
- How vendors determines the county is up to them
- Vendors use a variety of methods:
  - 5-digit zip code (often inaccurate)
  - 9-digit zip code
  - USPS addressing database

FIVE-DIGIT ZIP CODE PROBLEM

- Use of the 5-digit zip code
  - Zip code boundaries do not follow county boundaries
  - Incorrectly reported sales tax if vendor uses only 5-digit zip
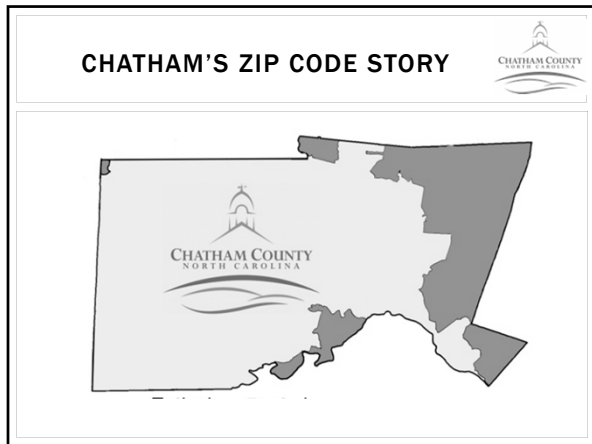 - For example, Chatham addresses with Chapel Hill zip codes may be reported as Orange County sales

CHATHAM'S ZIP CODE STORY

CHATHAM'S ZIP CODE STORY

- **In-Store Sales**
  - We found county vendors charging Orange's rate (7.5%); Chatham's rate is 6.75%
- **Delivered Goods Sales**
  - Sales tax is **supposed** to be charged based on the delivery address
  - Items delivered to Chatham residents may incorrectly show as another county if only the 5-digit zip is used to report the sales tax
  - A significant portion of building materials are delivered to the site

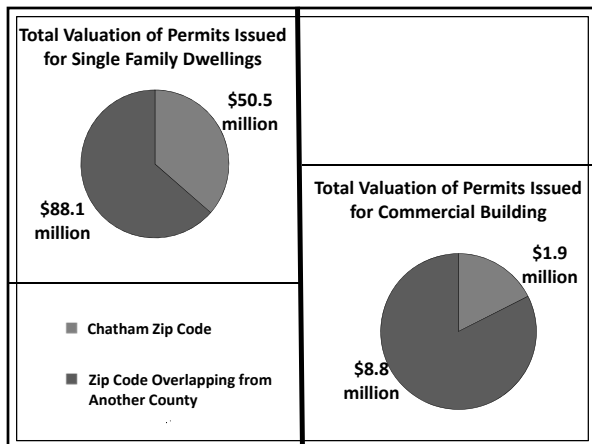**Total Valuation of Permits Issued for Single Family Dwellings**

$50.5 million

$88.1 million

■ Chatham Zip Code

■ Zip Code Overlapping from Another County

Total Valuation of Permits Issued for Commercial Building

$1.9 million

$8.8 million

CHATHAM'S ZIP CODE STORY

- We knew zip codes were causing us sales tax problems and had educated our residents on the issue
- Then a few social medial posts showed up that a significant number of our vehicles were showing up in Orange County
- We (especially our citizens) suspected our old enemy, the zip code

CHATHAM'S COUNTY PROJECT STORY

- DMV uses the USPS addresses to verify addresses for new vehicle registrations (as you tax folks know)
- We have a lot of new registrations in our largest development, Briar Chapel, which has a Chapel Hill zip code
- DMV's addresses had the wrong county code for Briar Chapel; all new addresses were showing up in Orange County

CHATHAM'S COUNTY PROJECT STORY

- Our Tax Administrator immediately notified the DoR
- DoR suggested we fix the problem through the "County Project," USPS's method of correcting addresses
- USPS is the ULTIMATE address database—used by many, not just DMV, for address verification

CHATHAM'S
COUNTY PROJECT STORY

- 911 is the CORRECT address database; 911:
  - Assigns all addresses initially (ADDRESSES COME FROM 911, NOT USPS)
  - Uses Master Street Addressing Guide (MSAG) standards for uniform addressing and road names
  - Not accessible to outside parties, like USPS is

CHATHAM'S
COUNTY PROJECT STORY

- Enter the hero of this story: Lesa Chavis, Chatham County's 911 Specialist
- Lesa immediately worked with the Greensboro office to correct Briar Chapel (898 addresses)
- Then, Lesa completed the first county project in North Carolina
- Since Chatham, Rowan has also completed and Lee is in process

THE RESULTS

- Only 70% of addresses submitted match USPS exactly
- 11,466 addresses have been corrected
- 796 county codes have been corrected
- 179 Congressional codes have been corrected
- It also returns all matched addresses in Zip+4 format
- You are welcome, surrounding counties. We fixed your addresses too!

WHAT IS THE COUNTY PROJECT?

- Effort by the USPS National Customer Support Center(NCSC) to improve the quality of addresses
- Allows one comparison of data with USPS per year
- Identifies local addresses that don't match the USPS address management system (AMS) database
- Resolves differences in county code and Congressional code with local addressing authorities
- For Chatham, this valuable tool helps resolve both the sales tax and the vehicle tax issues

USPS COUNTY PROJECT CONTACT INFO

- Kathy Harris 800.331.5746, ext 4539 Memphis, TN
- https://ribbs.usps.gov/index.cfm?page=countyproject (link forms and overview of the project)
- https://ribbs.usps.gov/countyproject/documents/tech_guides/CountyProjectSOP.pdf (link to County Project SOP)

NOT EASY, BUT WORTH IT

- We were in a good position to send the data
- The process took most of Lesa's time over 3 ½ months
- Steps:
  - County addressing authority completes PS Form 5118 and then faxes to the NCSC
  - NCSC confirms requester is the official local addressing authority
  - NCSC processes approved application and notifies requester

NOT EASY, BUT WORTH IT

Steps:
- County submits file on CD/DVD media by mail or sends an encrypted file by email

4. Addendum – Layout Information

Input File Layout *(Fixed-length text files)*

Use the following file layout to prepare your fixed-width text files.

Field Name	Length	Required Fields?	Field Type
NAME	42	Not Required	A/N
COMPANY NAME	66	Not Required	A/N
ADDRESS LINE	66	Required	A/N
CITY	28	Required	A/N
STATE	2	Required	A/N
ZIP5	5	Required	NUMERIC
ZIP4	4	Not Required	NUMERIC
CONGRESSIONAL CODE	4	Required	A/N
COUNTY CODE	5	Required	A/N
FILLER	19	Spaces	A/N
KEY*	50	Required	A/N
LATITUDE**	15	Not Required	A/N
LONGITUDE**	15	Not Required	A/N
CR/LF	2	Required	
Total Record Length 323 Bytes			

Notes: * A customer supplied identification code or record ID (Example: PUBLICJQD5)

NOT EASY, BUT WORTH IT

Steps:
- NCSC sends encrypted file as an attachment
- The file provides a summary and all the detail needed to correct addresses

NOT EASY, BUT WORTH IT

What we did to correct:
- Reviewed all discrepancies
- Sent in corrections to county code at one time
- Reviewed Congressional codes with Elections Director and sent in corrections at one time
- All other items were corrected in smaller "chunks"
- Lesa waited a couple of weeks and checked to make sure USPS had corrected in its database (checked every county and Congressional code, spot checks for the rest)
- If you have a lot of corrections you will need to submit them in a spreadsheet format

ONGOING MAINTENANCE

- DoR encourages counties to send email of all new addresses on a weekly or monthly basis
- Lesa sends in our changes daily
- Tax Office vehicle transfers have been reduced by approximately 15 (33%) per month
- No, you can't hire her!
- But, you can contact her!
  - Lesa Chavis, 911 Specialist
  - 919.545.8161
  - lesa.chavis@chathamnc.org