

Introduction to GST and Core issues in GST implementation

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“To tax and to please,
no more than to love and
to be wise,
is not given to men”

- ***Edmund Burke***



In Indian Federal Structure:

- **Direct and Indirect taxes**
- **Taxation is shared by Centre and States**
- **Direct taxes mainly by centre**
- **Commodity taxation is shared by
Centre and States**



Relevant Entries in List I and List II as contained in VII schedule to the constitution

- Entry 82 of Union List – Income tax
- Entry 83 of Union List – Customs duty
- Entry 84 of Union List – Excise duty
- Entry 92 C of Union List – Tax on Services
- Entry 54 of State List – Tax on sale or purchase of goods
- Entry 60 of State List – Taxes on professions, trades etc
- Entry 62 of State List – Taxes on luxuries including taxes on entertainments, amusements, betting and gambling



Current structure of principal indirect taxes

- Import of goods into India
 - Subjected to customs duty
 - Imposed and administered by Union Govt
 - Basic custom duty and Addl Custom duty (equivalent to CENVAT)
- Import of goods into India
 - Not subjected to state VAT



Current structure of principal indirect taxes

- Manufacture
 - Subjected to CENVAT
 - Levied and administered by Union Govt
 - CENVAT has a VAT mechanism and is creditable against CENVAT and service tax
 - Exports is freed of CENVAT
 - Import of goods is subjected to CENVAT



Current structure of principal indirect taxes

- Provision of services
 - Subjected to service tax
 - Levied and administered by Union Govt
 - Service tax paid is creditable against CENVAT and service tax
 - The standard rate of service tax is 14.5% and is same across the country
 - Specific services are subjected to tax by States – principal being entertainment tax



Current structure of principal indirect taxes

- Sale of goods
 - Sale involving Intra-state attracts State VAT
 - Levied and administered by State Govt
 - Modified form of classic VAT – covers only goods
 - VAT payable in one state is creditable against the VAT paid on purchase of goods within the same state only
 - Reasonable degree of uniformity in classification and rate structure across India – differences do exist



Current structure of principal indirect taxes

- Sale of goods
 - Inter-state sales is subjected to CST
 - CST is a Union levy but is administered by State Govts
 - Revenue retained by the States
 - Origin based levy
 - Standard rate of CST is 2 %



Shortcomings of current taxes

- Taxation at Manufacturing level
 - Definitional issues as to what constitutes manufacturing
 - Valuation issues
 - Manufacturing forms a narrow base
 - Effective burden of tax becomes dependent on the supply chain
 - Virtually all countries have abandoned this form of taxation and replaced it by multi-point taxation system extending to the retail level



Shortcomings of current taxes

- Exclusion of services
 - States are precluded from taxing services
 - Posing great difficulty in taxation of goods supplied as part of a composite works contract involving a supply of both goods and services and leasing contracts
 - Advancements in IT and digitization has blurred the distinction between goods and services
 - Exclusion of services creates negative impact on the buoyancy of State tax revenues



Shortcomings of current taxes

- Tax cascading
 - Occurs under both Centre and State taxes
 - Partial coverage of Central and State taxes
 - Exempt sectors not allowed to claim any credit for CENVAT or the service tax or state VAT
 - No credit is allowed on CST paid
 - Tax on tax -State on VAT on CENVAT and service tax component



Why Goods and Service Tax?

- Multiple goods based taxes like Entry Tax, CST etc. and service based taxes like Luxury Tax still exist
- Cascading effect not totally removed in the VAT System - no cross input tax credit between State VAT and CENVAT as well as between Goods and Services
- Result – Tax driven market distortions adversely affecting investment decisions *and*
- **Solution – Comprehensive GST**
- VAT – important breakthrough in the sphere of indirect tax reforms
- GST – Next logical step in the direction of comprehensive indirect tax reforms



Why Goods and Service Tax?

Advantages – Collective positive sum game

- Fall in prices due to removal of cascading effect, benefitting the consumer and the trade
- Competitive edge to the local Trade and Industry in international trade
- Increased economic activity leading to generation of employment potentiality
- Revenue gain to the Centre and the States due to widening of tax base and improvement in tax compliance



Goods and Services Tax – Objectives

- Aims at removing cascading effect totally - Transparency
- Aims at removing multiple (goods and services based) taxes – Simplification
- Aims at harmonisation of tax regimes in different States – uniform tax environment with a view to create a uniform market across the country



GST Model for India – Salient Features

- Dual GST structure with destination principle
- Defined functions and responsibilities of the Centre and the States
- Multiple Statutes – one for CGST & one for SGST for each State
- Centre and the States to have concurrent jurisdiction for the entire value chain and for all taxpayers
- Central and State GST - applicable to all transactions of goods and services made for a consideration
- Exceptions: exempted goods and services; goods, outside the purview of GST; and transactions, below the prescribed



GST Model for India – Salient Features

- Central GST and State GST to be paid to the accounts of the Centre and the States separately
- Cross utilization of ITC between Central GST and State GST not be allowed
- Cross utilization allowed in case of inter-State supply of goods and services under IGST model



GST Model for India – Salient Features

- Basic features of law to be uniform across Central and statutes of States as far as practicable
- Uniform procedure for collection of both Central GST and State GST to the extent practical
- Refund of accumulated tax credit



GST Model for India – Salient Features

- SGST threshold for exemption – Rs. 10 lakhs
- SGST composition threshold – Rs. 50 lakhs
- SGST Composition **floor** rate – 0.5%
- No cap on the SGST composition floor rate
- CGST thresholds for exemption:
 - Goods – Rs. 1.5 crores
 - Services – Appropriately high



GST Model for India – Salient Features

- Measure of threshold – Gross Annual Turnover
- Option, provided to Tax Payers below thresholds, for GST registration
- Periodical returns in common format as far as possible, to be submitted to both Central and State GST Authorities concerned
- PAN-linked Taxpayer Identification Number facilitating data exchange and tax compliance



GST Model for India – Salient Features

- Functions such as assessment, enforcement, scrutiny and audit to be undertaken by the authority, collecting the tax
- IGST Mechanism to treat interstate supply of goods and services
- IGST to take care of the destination principle



GST Model for India – Salient Features

- Taxes proposed to be in CGST
 - (i) Central Excise Duty
 - (ii) Additional Excise Duties
 - (iii) The Excise Duty levied under the Medicinal and Toiletries Preparation Act
 - (iv) Service Tax
 - (v) Additional Customs Duty i.e., Countervailing Duty (CVD)
 - (vi) Special Additional Duty of Customs - 4% (SAD)
 - (vii) Surcharges, and Cesses.



GST Model for India – Salient Features

- Taxes proposed to be in SGST
 - (i) VAT / Sales tax
 - (ii) Entertainment tax (unless it is levied by the local bodies).
 - (iii) Luxury tax
 - (iv) Taxes on lottery, betting and gambling.
 - (v) State Cesses and Surcharges in so far as relating to supply of goods and services.
 - (vi) Entry tax not in lieu of Octroi.



GST Model for India – Salient Features

- Purchase Tax & Tax on Food grains – Exempted or revenue loss compensated?
- Alcoholic Beverages – outside GST but left to the choice of States
- State Excise on Alcoholic goods unaffected
- Petroleum products (Crude, MS, HSD, ATF) outside the GST
- Natural Gas to be decided



GST Model for India – Salient Features

- Tobacco products subjected to GST with Input tax credit
- Centre, allowed to levy excise duty on tobacco products over and above GST without ITC
- Zero rating for interstate supplies; exports; and sales to SEZ
- No tax concessions to sales from SEZ to DTA
- Vat-able GST on imports



GST Model for India – Salient Features (Rate Structure)

- Two rate structure for goods
- One standard rate and one lower rate
- Special rate for precious metals
- List of exempted goods
- Zero rate for export of goods services etc.
- Single rate for all the services
- Rates for goods & services to be worked out



GST Model for India – Salient Features

- Special Industrial Area Schemes to be replaced with reimbursement scheme
- Existing schemes to go on till the legitimate expiry time
- Tax based incentives, if any, to be replaced with cash based incentives



Implementation of GST – Preparations

- Constitutional Amendments to be made for empowering the States for levy of service tax and GST on imports
- Central and State legislations with associated Rules and procedures to be drafted
- Legislation for IGST with Rules and procedures to be drafted



GST Implementation issues / concerns

(pre-requisites)

- Training and reorientation of administrative machinery for implementation
- Mindset changes – moving to a new tax
- Standardization of systems & procedures
- Joint authority to oversee implementation
- Building of Robust IT backbone – e filing / e payment
- Uniform legislation, forms, rules, rates, compliance requirements
- National Portal for access of information



Timelines for GST Implementation

- The deadline put forward by Centre for implementation of GST is 1st April'2016
- Constitutional (122nd Amendment) Bill, passed by Loksabha
- Deadline likely to be missed as Constitutional (122nd Amendment) Bill is now pending in Rajya Sabha for passage faces challenge from main opposition party



Constitution (122 Amendment) Bill, 2014

- Insertion of Article 246 A – empowers the state legislatures to make laws with respect to GST
- Insertion of Article 269 A – GST on supplies in the course of inter-state trade or commerce shall be levied and collected...
- Insertion of clause (1A) to Article 270 – apportionment of GST collected between Centre and States



Constitution (122 Amendment) Bill, 2014

- Insertion of Article 279 A – constitution of GST Council
- Chaired by Union Finance Minister, Minister of State for Finance and State Finance Ministers are members
- GST Council to make recommendations on model GST Law, exemptions, threshold limits, rates including floor rates with bands of GST, any other matter
- GST on petroleum products – date of levy
- One half of members of GST Council constitutes the quorum



Constitution (122 Amendment) Bill, 2014

- Additional levy of tax on supply of goods, not exceeding one percent, in the course of inter-state trade or commerce, notwithstanding Article 269 A and such tax shall be assigned to the States in the manner prescribed
- Parliament by law on the recommendations of GST Council, provide for compensation to the States for loss of revenue arising on account of implementation of GST for such period which may extend to five years
- Power of President of India to remove difficulties



Demands put forward for GST implementation

- Main opposition party wants
 - The GST Rate to be capped at 18% in the Amendment itself
 - Removal of additional one percent tax for the manufacturing states like Maharashtra, Gujarat and Tamilnadu
 - An independent dispute redressal mechanism
 - Tobacco and electricity under the fold of GST
 - Compensation formula to be included in the Bill



Organisational & Functional issues

(in GST Regime)



Re-engineering process –

- No effort from State VAT departments to form Groups / Committees to discuss the re-engineering processes
- No idea of increase in Tax base due to addition of service tax and VAT on imports
- Synergy between Centre and States (!)
- Territorial vs Functional division of work
- Organisational Model – whether officer centric with extensive use of IT



Re-engineering process –

- Design of core business processes and changes
 - Registration Process
 - Filing of returns and processing and payment of tax
 - GST Invoice and books of accounts of taxpayers
 - Tax compliance issues - Audits and Anti-evasion
 - Dispute resolution mechanism
 - A robust IT system to streamline the operations of the tax department
 - Establishing an organisation to handle a large no of taxpayers



Re-engineering process – Coordination with CBEC

- Joint working groups in each state comprising officers from Central & State Govts to be set up
- To assess tax payer base in different district – addition ?
- New and common (!) locations for CGST and SGST offices
- GST Trade facilitation centers on procedural issues – to be common for CGST and SGST
- To develop centralized portal for online registration, filing and processing of returns and e-payment
- Tax payer education through joint programs



Re-engineering process –

- Implementation of cadre review
- Familiarizing staff with broad frame work of GST
- Training of staff immediately after draft law and procedures are ready
- Training on change management – attitudinal change to adapt to GST
- Educating Taxpayers – seminars, workshops, roadshows, publicity through print and electronic media
- Scaling up of IT infrastructure – common platform
- Transitional issues – re-registration of existing assesseees



Re-engineering process – CBEC Group

- Centre appointed Central Board of Excise and Customs Group on Implementation for GST
- Scaling up the capacity of the department
- Common IT platform and common platform
- Report on 12th July'2010



Re-engineering process – CBEC Group

- The CBEC Group suggested complete reengineering of business processes to make the transition smooth
- Scaling up the capacity of the department to deal with 5 fold increase in tax payer base to about 50 lakhs
- Critical factors according to the Group-
 - Creation of Robust IT infrastructure
 - Early completion of cadre review



Re-engineering process – CBEC Group

- Division of work along functional lines to encourage specialisation rather than on territorial basis
- Density of taxpayers in jurisdiction of each commissionerate
- Identification of premises for setting up of GST offices, common facilitation centres
- Familiarizing the staff with the framework of the new tax



Re-engineering process – CBEC Group

- Steps to minimize interface with taxpayers
- Online common registration
- Online common filing of returns – reduction in frequency
- Outsourcing of facilitation centers
- Refunds to be credited to claimant's bank accounts
- For procedural / technical lapses – fixed penalty can be levied without SCN and adjudication
- Audit of small taxpayers - risk parameters



Biting ground realities

- India's supreme audit body, COMPTROLLER AND AUDITOR GENERAL has questioned the preparedness of states to rollout GST
- Study / Report on Implementation of VAT in India – Lessons for Transition to GST
- Extensive study based on audits of sales tax administrations
- Common software developed on a common platform across states would be precursor for the shift to GST
- Various levels of automation and computerisation



GSTN – Tax Advisory Group for Unique Project

- GSTN approved by Empowered Group on IT infrastructure for GST and Empowered Committee
- Authorised capital of Rs.10 cr – strategic control with Govt.
- 51% shares by private equity partners and 49% by GOI and states
- ICICI Bank, HDFC Bank, IDFC, NIC, LIC HF – NSDL would serve as technology partner
- Self sustaining revenue model to levy user charge for availing services from tax payer and tax authorities



A look at State VAT depts vs CBEC

- State VAT departments well experienced in administration of destination based consumption tax whereas CBEC is enforcing mainly tax on manufacture
- State VAT departments have sufficient experience in levy and administration of CST on interstate transactions



A look at State VAT depts vs CBEC

- State VAT departments are handling assessee base of more than 75 lakhs at present whereas the assessee base handled by CBEC at present is around 13 lakhs which includes customs
- Organizational structure in states is bottom heavy whereas in the case of CBEC it is reverse
- Number of staff at level of NGO's in states is 3-5 times more than the staff available in Central Excise



Apprehensions on GST implementation

- Fears on Administrative Jurisdiction
- Basis for apprehension – footnote to Chapter 4.8 of Report of Task Force which says that – *“The jurisdiction between CBEC and the State Administration may be divided between the two in such manner that the interface of the taxpayer is confined to one tax administration only”*
- It is feared that any division would be skewed in favour of CBEC despite States having the numbers and experience



Apprehensions on GST implementation

- Administration of IGST to be handed over to CBEC despite states having the experience of enforcement of CST Act over 50 years
- Basis for apprehension (1)– Chapter 3.5 of First Discussion Paper states – “The scope of IGST Model is that Centre would levy IGST ”
- Basis for apprehension (2)– Chapter 4.4 of Report of the CBEC Group on Implementation of GST says – “ More than 70 lakh registrants including IGST registrants would require to be handled by CBEC”



Apprehensions on GST implementation

- Fears over underutilization of staff if outsourcing is done in common trade facilitation centers for GST taxpayers
- Basis for apprehension – Chapter 6.3 of Report of the CBEC Group on Implementation of GST says – “ These centres could be set up either on in-house basis or outsourced to professional bodies like ICWAI, ICAI, ICSI as is presently done for ACES ”



Apprehensions on GST implementation

- Fears over inadequate opportunities for experienced state VAT officers who do not belong to IAS cadre
- Basis for apprehension – Annexure II of Report of the CBEC Group on Implementation of GST says – “ Member (Technical) from the State Govt for State Level GST Tribunals should be of the rank of a Secretary / Commissioner to the State Government (Joint Secretary to Govt of India)”



Aspirations of State VAT departments

- Apprehensions of State VAT officers to be addressed appropriately before GST implementation
- Equal pay package on par with the officers of Central Excise and similar working conditions shall be considered by the Central Government and Empowered Committee
- The design of administrative procedures shall not be to the disadvantage of State VAT departments



Aspirations of State VAT departments

- Concurrent Jurisdiction of State and CBEC to be limited to manufacturers only
- Jurisdiction to State in respect of levy of CGST in respect of other than manufacturers – State to retain certain % towards cost of collection and transfer the remaining to the Centre



Aspirations of State VAT departments

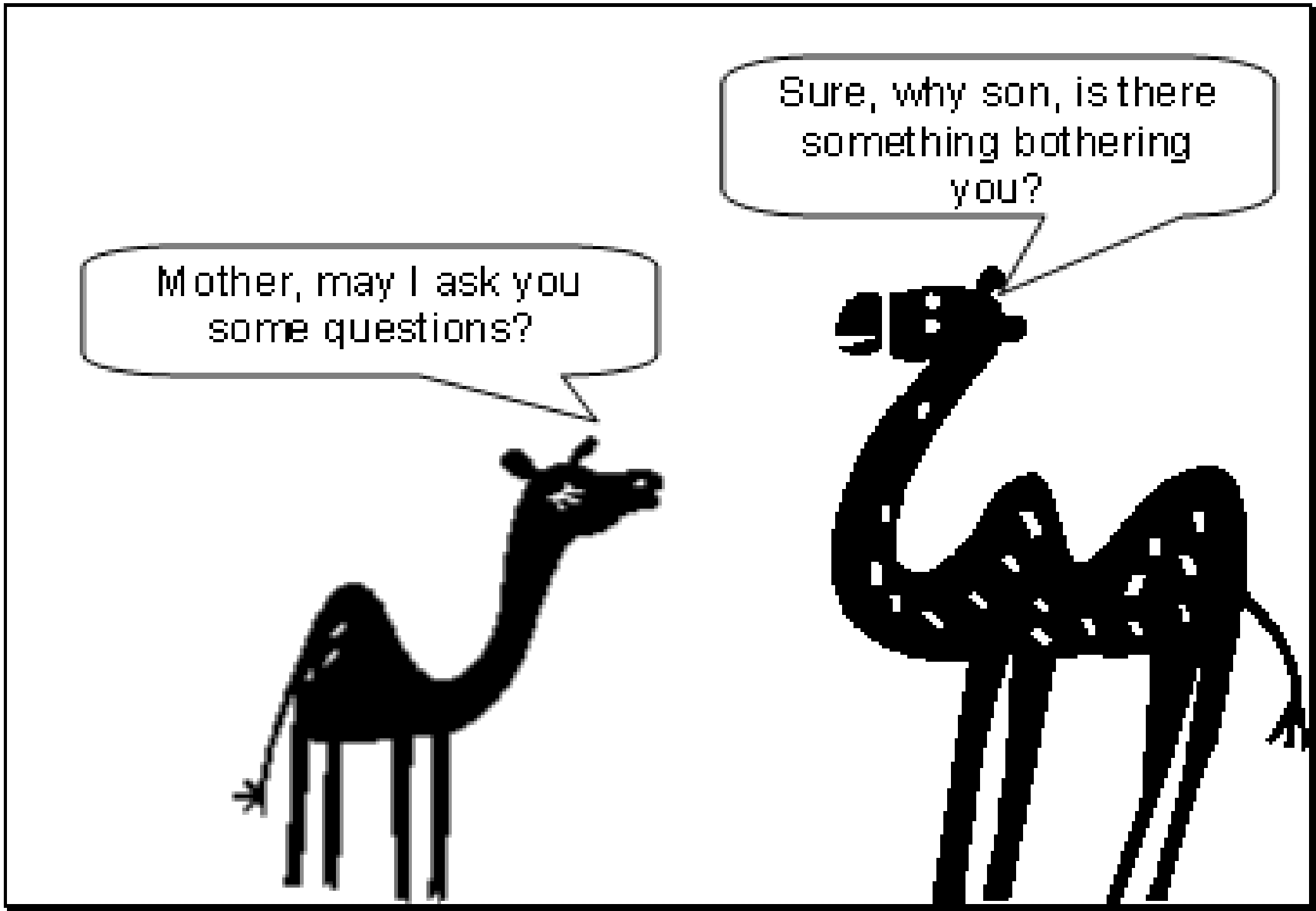
- Administration of IGST may be entrusted to State VAT departments as they have the expertise in implementation of CST over 50 years
- Ambit of Empowered Committee of State Finance Ministers to be widened to include the design of state tax administration and addressing the concerns of state VAT officers in addition to tax policy



Suggested Jurisdiction

- Concurrent Jurisdiction of State and CBEC to be limited to manufacturers and service providers only
- CBEC to levy SGST on imports
- Jurisdiction to State in respect of levy of CGST in respect of other than manufacturers and service providers
- This jurisdictional distributional would involve no or minimal re-organisation within CBEC and State VAT departments





Mother, may I ask you
some questions?

Sure, why son, is there
something bothering
you?

Well son, we are desert animals, we need the humps to store water and we are known to survive without water.

Why do camels have humps?



Son, obviously they are meant for walking in the desert better than anyone does.

OK, then why are our legs long and our feet rounded?



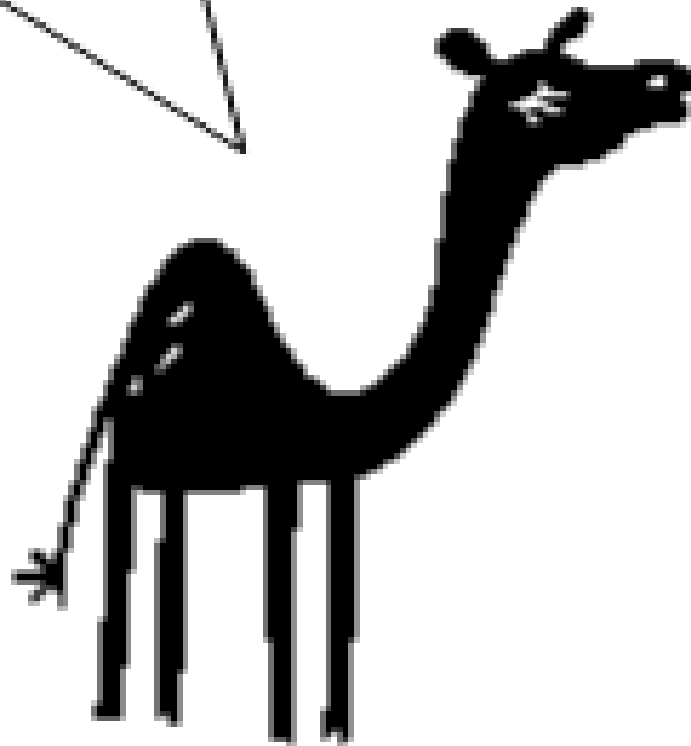


Just one more question
Mother...

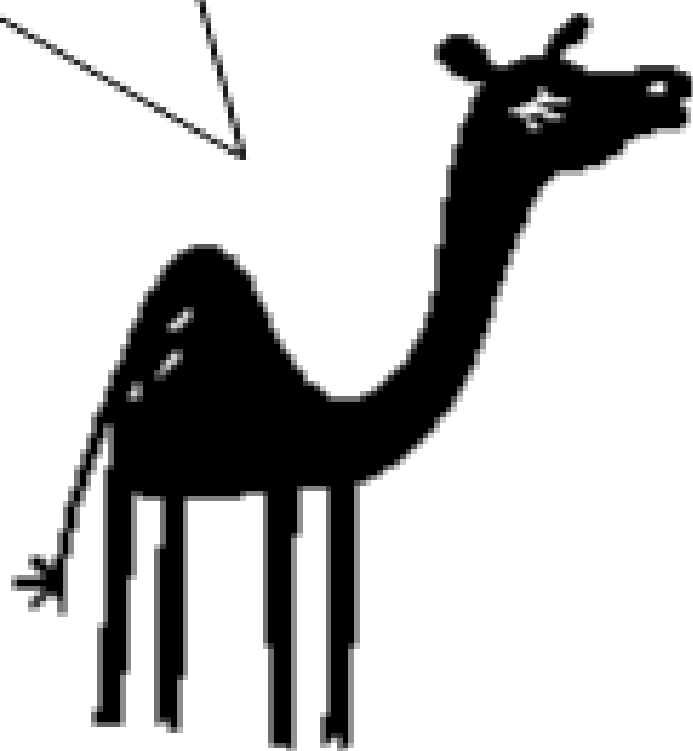
Yes, dear?

My son, those long thick eyelashes are your protective cover. They help to protect your eyes from the desert sand and wind.

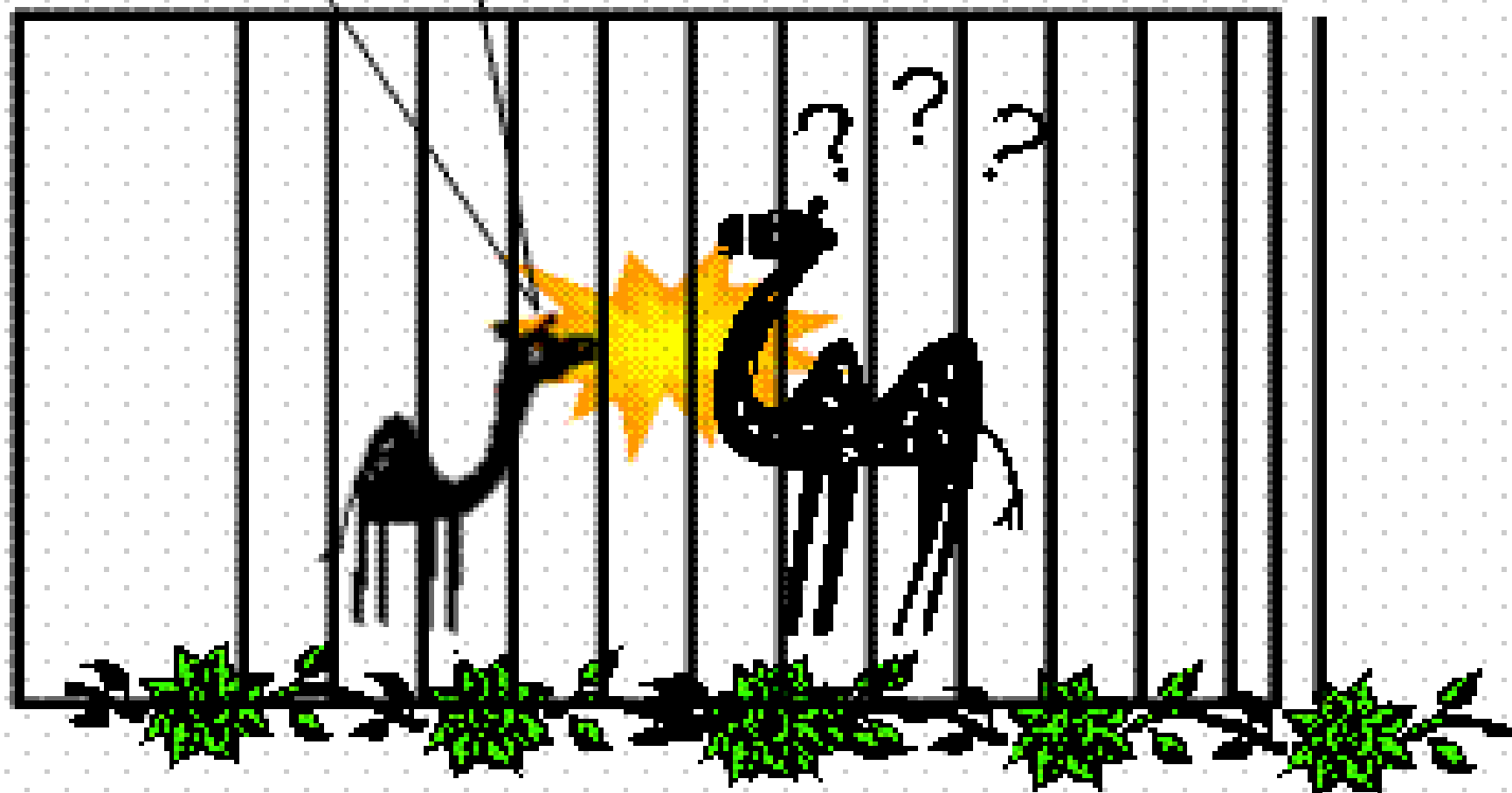
OK, then why are our eyelashes long? Sometimes it bothers my sight.



I see. So the hump is to store water when we are in the desert, the legs are for walking through the desert and these eyelashes protect my eyes from the desert sand...



What the hell are we doing in
the ZOO?!



Skills, knowledge, abilities and experiences are only useful if you are at the right place!

Where are you now?

Some sayings (!)

“Tax reforms, like every reform, is a process and not an event” – *Sri Pranab Mukherjee, Former Union Finance Minister*

“A camel is a horse designed by Committee” – *Sri V.S.Datey, Hon.Con.Editor, GST Cases*



Thank you !

Options for Design of Administration

- Autonomous or Semi Autonomous Revenue Agency
 - Canada (CRA)
 - SUMA (Alicante, Spain)
 - What happens if adopted in India
- Coordinated tax policy and tax administration
 - EU approach
 - Requirements if adopted in India
- Middle path for India
 - Single information system, with unified registration and returns filing
 - Tax payer services, advance ruling and dispute settlement too added to the unified design

Semi Autonomous Revenue Agency

- Factors which induced developing countries to go for SARA are (Mann 2004):
 - level of inefficiency of revenue collections in the face of fiscal deficits and expanding public expenditure needs
 - tax evasion and generalised corruption
 - **high compliance costs**
 - high level of political interference
- If the revenue agency is allowed to choose a pay structure different from rest of government, could bring in specialisation and improve tax admin
- International experiences suggest that unless made truly autonomous in internal decision making and in its functioning, the experiment may not yield the expected benefit
 - Indian context however can be different – improvement in overall efficiency of tax administration would be a bonus. Reduction in compliance costs and costs of administration along with lower costs of transition to GST would be primary benefits for India

Sara: International Experiments

- CRA: structured as a corporate entity reporting to the central minister. Collects taxes for central government as well as for state governments where they elect to assign the function
 - Collection for states initially limited to three maritime provinces
 - Two new provinces joining the HST structure are Ontario and British Columbia – existing tax administrations would be merged with CRA
 - Rates of tax can differ across provinces
 - At the time of introduction all HST states had a uniform rate – in the present year, divergence has been accommodated – Some provinces are choosing to be below and some above the standard HST rate.
 - Exemptions too can be different!

Sara: International Experiments

- SUMA: Corporate entity setup with support from the provincial council of Alicante in Spain: collects taxes and other levies for 140 town councils in the state –
 - services selected can vary across local bodies and change over time (see chart)
 - Maintains and updates relevant databases and cross-references with other relevant databases.
 - Suma governed by a **Board**, headed by the President of the Provincial Council and seven Provincial Representatives and the **Director** of Suma himself.
 - www.suma.es

Can India have a Revenue Agency?

- Appears **RADICAL** but should be discussed
 - Manpower issue: all tax administrators can be brought together into one agency: issue of manpower management addressed
 - Would reduce duplication of effort and information
 - Would allow/require greater degree of autonomy for the agency, since the implementing agency would have to report to both the centre and the states
 - Allows for more effective protection of autonomy of the states by allowing for divergence in rates of tax over time.

Can India have a Revenue Agency?

- Would require significant work to arrive a suitable format for the implementing agency – one that is acceptable to all the concerned governments
 - But once, established, it can address issues of compliance and administrative costs
 - Transition costs too can be minimised for the departments since existing distribution of skills across departments can be put to use.
- Finance department in every state and central government might continue to establish a monitoring cell to ensure that the states' interests or the centre's interests are safeguarded.

If not Sara, what is the minimum?

- In the interest of better tax administration
 - Coordination of tax effort between the different administrations
- Coordination is commonplace for information sharing
 - CST also requires information to be shared,....
 - PAN related TIN numbers to allow for sharing of information between income tax and indirect tax departments
 - How to structure sharing of information –
 - commitment to give information when there is a demand for the same – most international treaties too talk of this
 - Automatic sharing of information – VIES in the European Union

Coordinated Tax Administrations

- Denison and Facer II (2005) argue that as regional economies have become more interconnected, the administration of tax revenue systems has become increasingly complex, motivating states to consider tax coordination efforts through a variety of arrangements to improve tax administration and enforcement.
- A significant number of Tax treaties for instance involve clauses on sharing of information between the signatory governments.
 - Some of these agreements imply automatic flow of information while other make feasible access to information if queried.
 - US government has an agreement with its states (Agreement on coordination of Tax Administration) whereby federal tax information is provided to state and local governments that levy and collect taxes on incomes and wages.
 - Luxembourg Parliament passes bill on *Cooperation among Authorities and Measures to Combat Tax Fraud and Tax Evasion* in December, 2008. The law clarifies and strengthens the legal framework governing cooperation and exchange of information among the tax authorities, as well as between tax authorities and other government bodies (e.g., social security authorities) or judicial authorities.

EU experiment

- The EU requires the member states to collect from VAT registered suppliers of goods, a European Community Sales List (ESL), concerning supplies to VAT registered acquirers /consignees of other EU member states. The ESL captures identification information of intra-Community suppliers/ acquirers of goods and services and their total value of transactions. This information is compiled by the exporting state and communicated to other member states on an automatic basis
 - Summary information of total imports classified by identification number of importer is provided
- The importing state, could also (if necessary) obtain access to the following information, a break up of the information by exporter's identity as well.

EU experiment

- Each member state exchanges information with other member states on automatic as well as on request basis.
 - On request, the requested authority is expected to conduct enquiries necessary to obtain such information within prescribed time limits
- The EU model, thus, works on the basis of a minimum prescribed format for information collection and sharing, to address the issues of potential revenue evasion. All member states agree on the minimum prescribed formats. In addition pairs of member states could also enter into agreements for close cooperation (e.g.,
 - Belgium and the Netherlands: agreement regarding the presence of tax officials of one country in the territory of the other country to collect information that may be relevant for the correct levy of taxes on income and capital, as well as of VAT and excise duties
 - France and Germany: agreement provides for the spontaneous and automatic exchange of information between the tax administrations of the states with regard to VAT refunds

Coordinated tax administration in India

- The options in this category could extend from agreements to share information on query, to reciprocal information sharing on an automatic basis.
- Have two information systems – one for the centre and one for the states – with continuous and real time sharing of information between the two would be an example
 - Would make the information more reliable
- Involves a lot of duplication of effort, and cost
- Could be extended to consider coordination and cooperation beyond information sharing

Middle path options: Step 1

- If the definitions and the base are the same – makes sense to look for a single tax information system –
 - states have to coordinate information for IGST, easy to add the rest of the information to the same system
 - Since centre is to cover all these transactions as well – this information system can be managed by the central tax administration or a central agency
 - Would save a lot of cost of setting up the separate systems for the states
 - Would also remove the need to look for checkpost kind of monitoring for inter-state transactions
- If one information system – clearly one registration and one return is adequate/essential! This would hold good even if the states want to change the rates!

Middle path: Step 2

- Single dispute settlement and advance ruling
 - Would avoid disputes between central and state tax administrations
 - Would provide a more reliable tax system for the tax payer to operate with – advance ruling should be legally binding on the tax department
- Single tax payer services too would make life easier for taxpayer
- Together – step 1 and step 2 represent a unified public face of the departments.
 - Would conserve effort for more technical aspects of tax administration for the officials of the tax departments
- The middle path would deal reduce the costs of compliance, as well as that of administration/collection when compared to status quo
 - Some increases over present costs would however remain:
 - Larger number of tax payers would require more resources for audit and assessment for both centre and states
 - Transition costs would remain high since both levels of government would need to learn new skills to deal with tax payers in new economic activities.

Tax Administration Functions

Identification

Registration

Tax Payer Services

Advance Ruling

Returns
filing

Payments

Assessment/
Reassessment

Revenue
Accounting

Taxpayer
Accounting

Arrears collections

Audit

Appeals/Dispute settlement

Special Investigations

Common Functions: SARA

Identification

Registration

Tax Payer Services

Advance Ruling

Returns
filing

Payments

Assessment/
Reassessment

Revenue
Accounting

Taxpayer
Accounting

Arrears collections

Audit

Appeals/Dispute settlement

Special Investigations

Common Functions: Coordinated taxes

Identification

Registration

Tax Payer Services

Advance Ruling

Returns
filing

Payments

Assessment/
Reassessment

Revenue
Accounting

Taxpayer
Accounting

Arrears collections

Audit

Appeals/Dispute settlement

Special Investigations

Common Functions: Middle path

Identification				
Registration				
Tax Payer Services				
Advance Ruling				
Returns filing	Payments	Assessment/ Reassessment	Revenue Accounting	Taxpayer Accounting
Arrears collections				
Audit				
Appeals/Dispute settlement				
Special Investigations				