



Tax Administration Diagnostic Assessment Tool (TADAT)

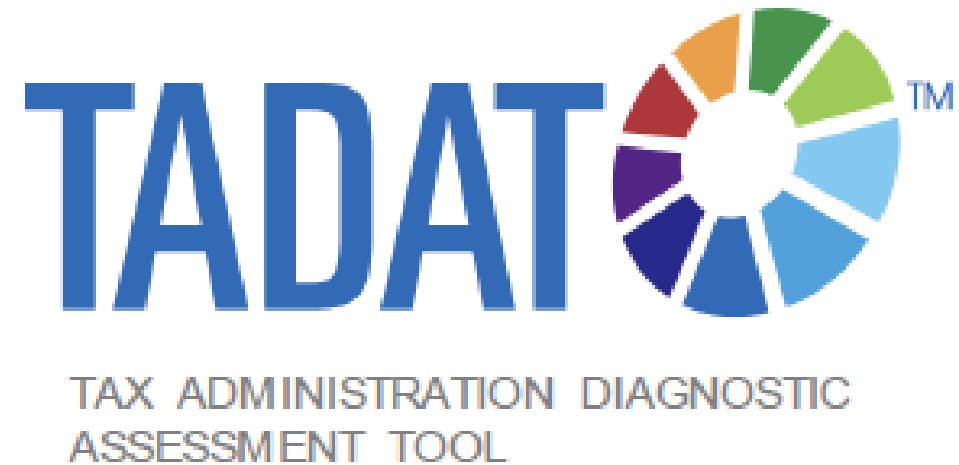
10th IMF - Japan High - Level Tax Conference for Asian Countries

**25 - 26 April 2019
Tokyo**



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Malaysia's Experience : Tools for Tax Policy Analysis

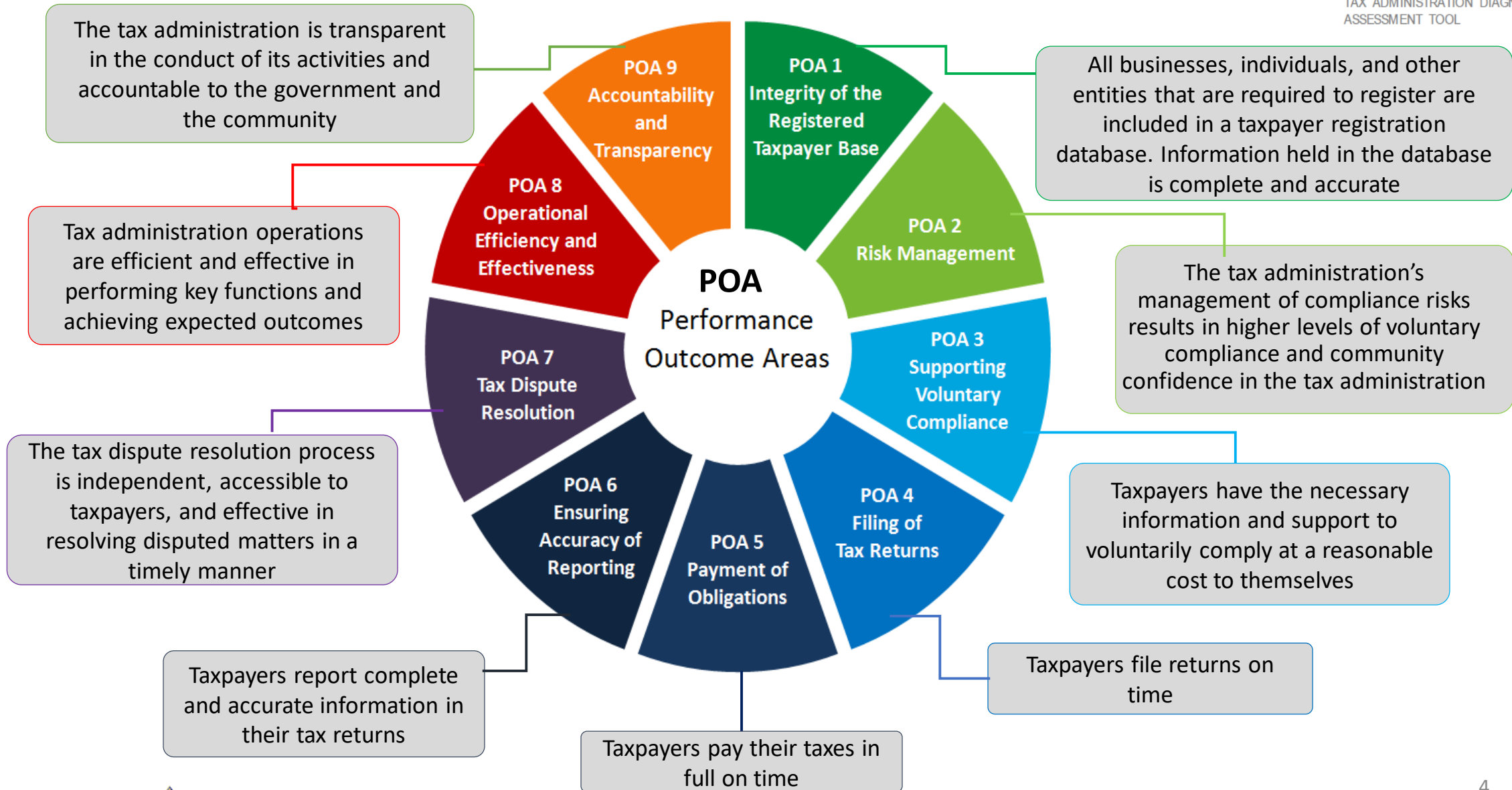




MAIN OBJECTIVE:

Provide a tool to assess the institutional, strategic and operational ability of the tax administrations

PERFORMANCE OUTCOME AREAS



MEASUREMENT SCALE



Measurement Scale	Details
A	Strong Performance (performance that meets or exceeds international good practice)
B	Sound Performance (healthy level of performance but a rung below international good practice)
C	Weak Performance (relative to international good practice)
D	Inadequate Performance (requirements for a C rating or higher are not met)

PERFORMANCE ASSESSMENT RESULTS - STRENGTHS

Institutional Risk Management

- A structured risk management framework is in place
- Business resumption plans are in place and regularly tested and updated

Tax Dispute Resolution

- The objection review mechanism is independent of the audit process
- Dispute outcomes re monitored and taken into account in the formulation of policy, legislation and administrative procedures

Efficiency of Accounting Systems

- Timely posting of accounting transactions to taxpayers ledger
- Strong and largely automated processes support and efficient accounting system

Internal Controls

- A strong internal control framework is in place
- Strong external oversight of the tax administration
- IRBM's operations and financial performance

Taxation Issues

- Monitor effectively, clear and in structured manner and outcomes can be developed of the overall policy and procedure
- Accurate and reliable taxpayer information – data integrity

Voluntary Compliance

- Extensive information on taxpayers' obligations and entitlements

AREAS OF IMPROVEMENT



Compliance risk management:

- *More strategic and comprehensive approach*



Exchange of Information:

- *Restrictive law and secrecy act*
- *Restricted use of data other agencies' data*



Managing Public Perceptions:

- *Knowledge of the level of public confidence in the tax administration*



Service Delivery:

- *Some of the service delivery standards do not align with international good practices*

IRBM's Way Forward – Post TADAT Reforms

- 1** IRBM's Corporate Plan 2016 – 2020: Benchmarking against internationally accepted best practices to set the strategic objectives and key initiatives
- 2** Big Data Advanced Analytics: Facilitate taxpayer registration, compliant, deterrent and collection activities
- 3** Digital Transformation: Integrating, harmonizing and synchronizing internal systems
- 4** Business Process Re-engineering: Re-visiting work processes and procedures
- 5** Exchange of information: Structured engagement programmes with other agencies
- 6** Service Delivery: Enhancing current CRMS and Recovery Systems



Thank you



INLAND REVENUE BOARD OF MALAYSIA