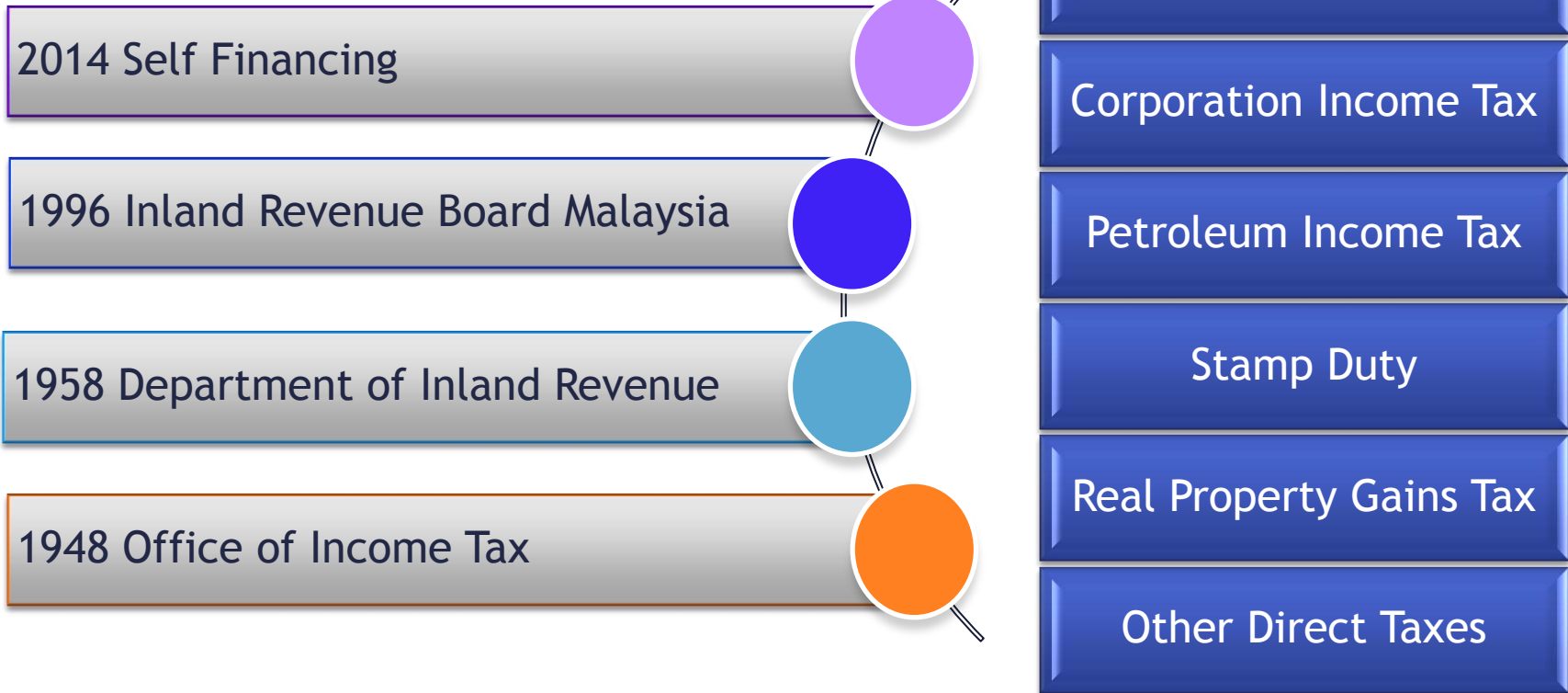


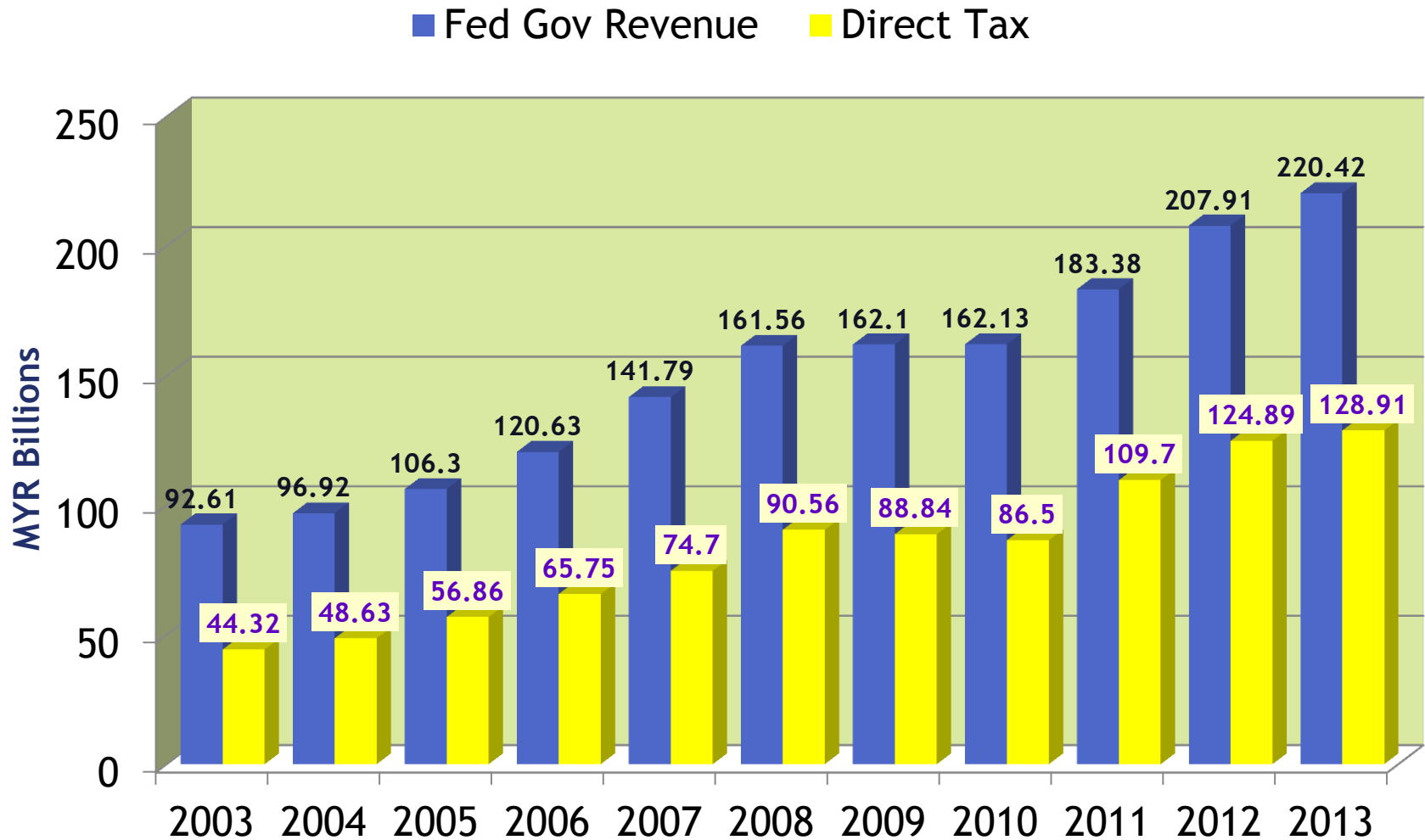
TAX ADMINISTRATION REFORM INLAND REVENUE BOARD MALAYSIA



The Organisation

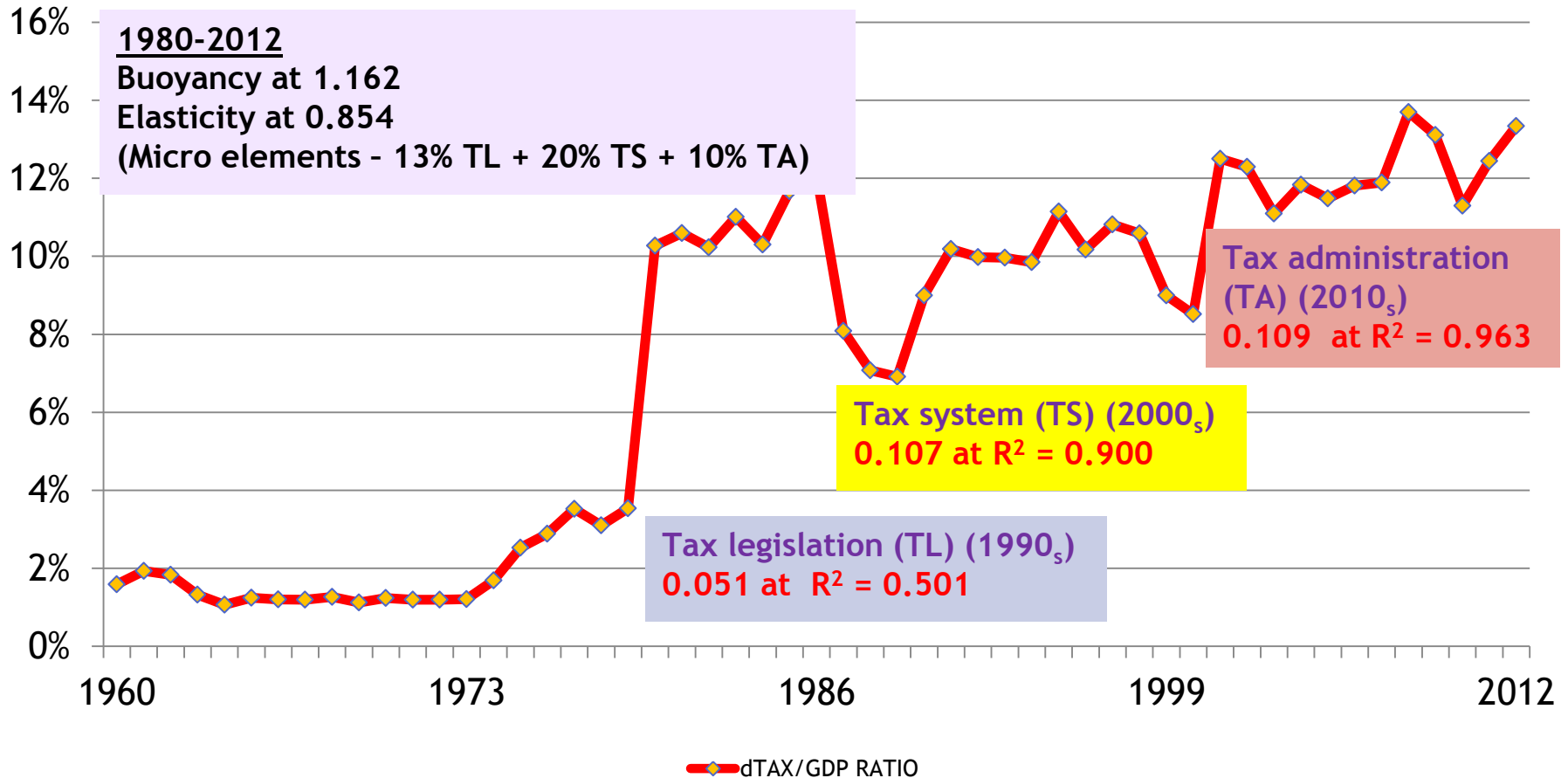


IRBM's Tax Collection

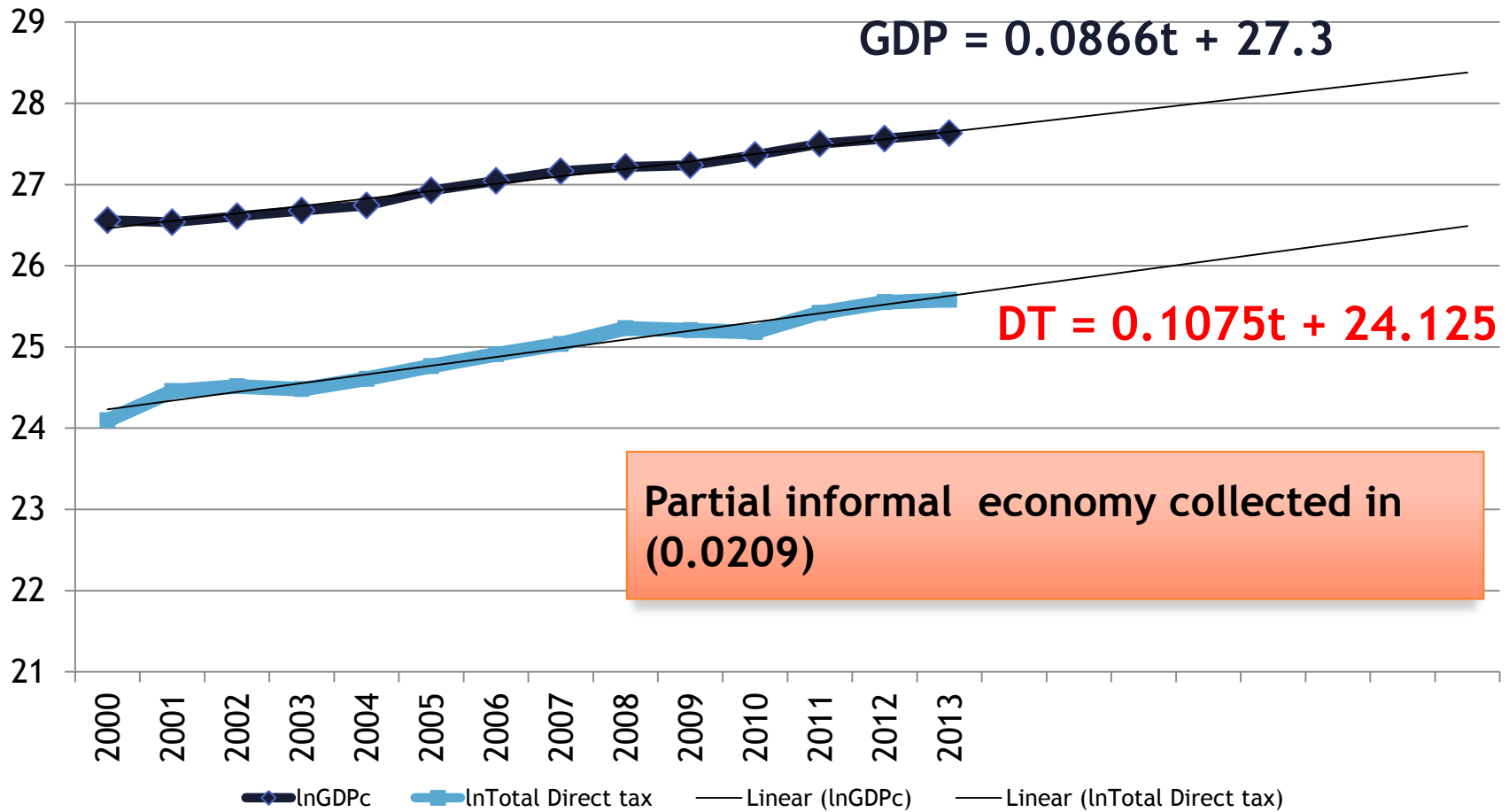


Direct Tax Contribution

dTAX/GDP RATIO



GDP & Direct Tax Growth (2000-2013)



GOVERNMENT

TOGETHER
BUILD
THE
NATION

NATION'S
DEVELOPMENT

BE WITH US
... OTHERWISE ...
WE WILL ROCK
YOU

RM
(Collection)

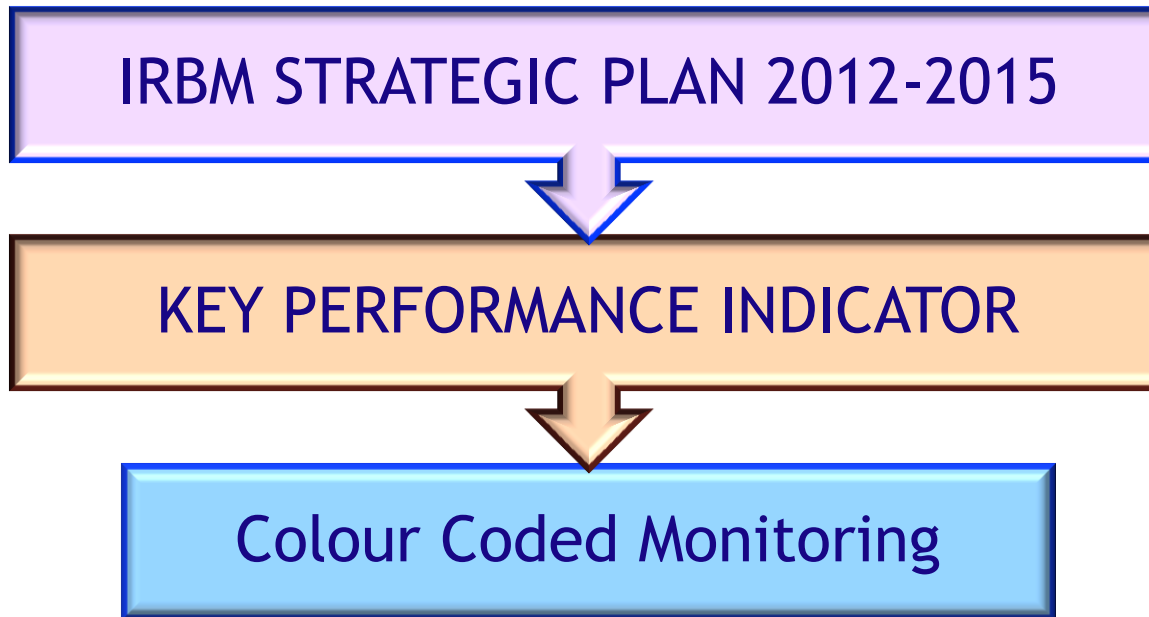
GOVERNMENT'S
FRAMEWORK

TAXPAYERS

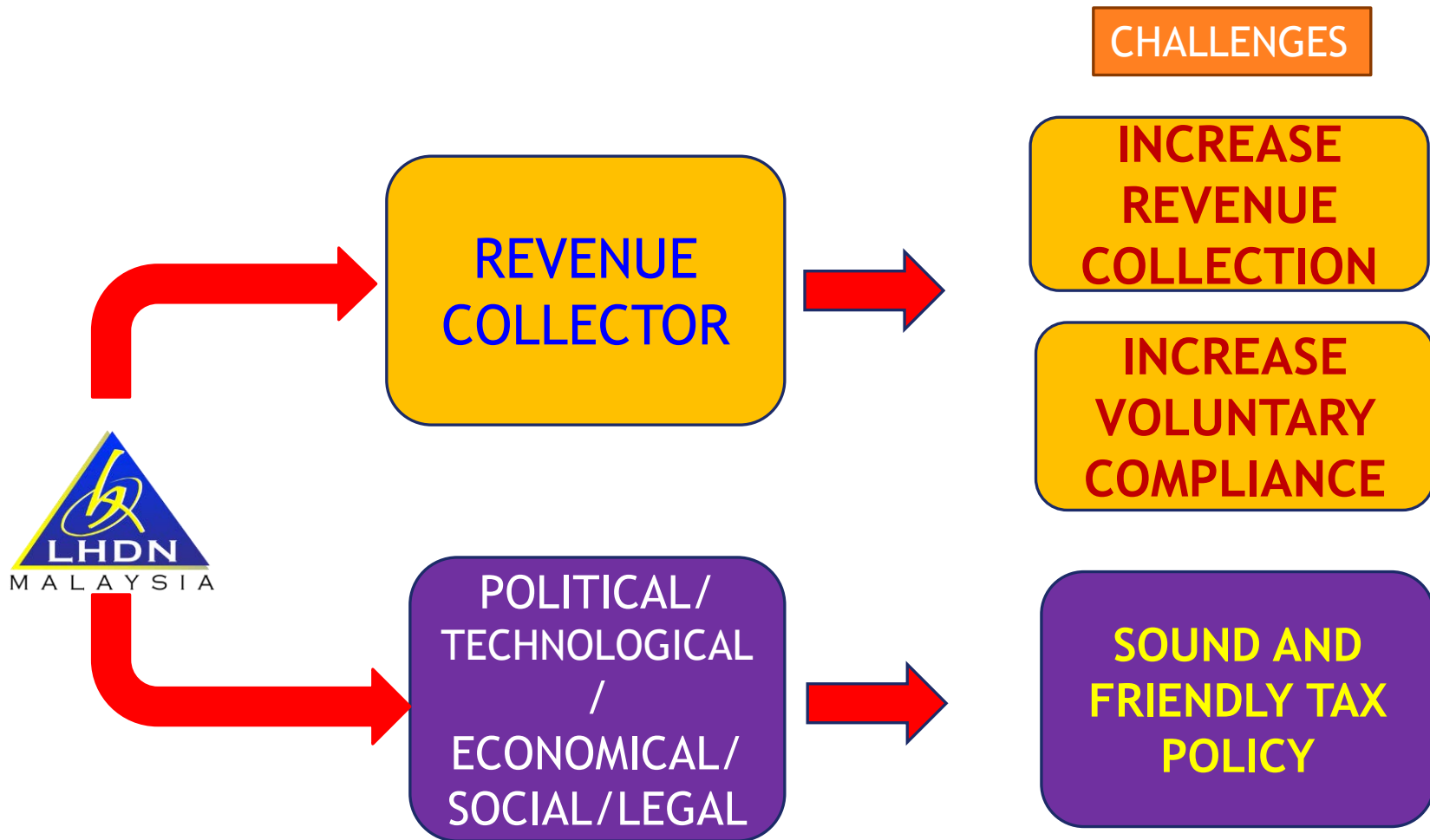
COMPLIANCE PROGRAMMES

VOLUNTARY COMPLIANCE
RM (Tax Paid)





Points	Colour	Evaluation
9	Dark Purple	Very significantly higher than target (106%)
8	Pink	Significantly higher than target (103 -105.99%)
7	Cyan	Higher than target (100.01 - 102.99%)
6	Green	On target (100%)
5	Yellow	Lower than target (97.01 - 99.99%)
4	Orange	Significantly lower than target (94.01 - 97%)
3	Red	Very significantly lower than target (94%)





Tax Administration Transformation

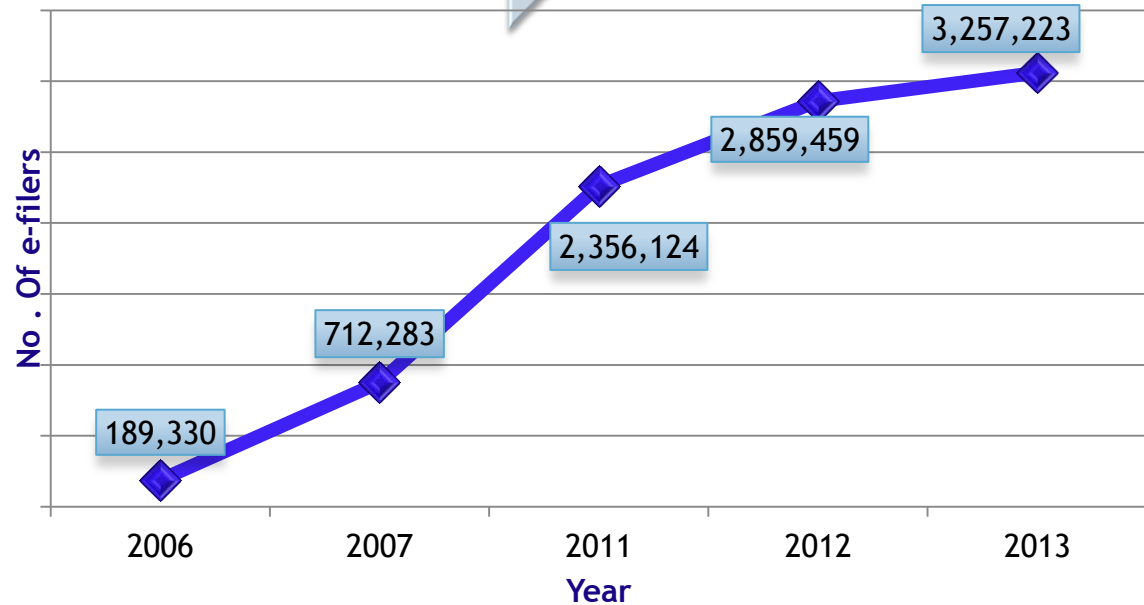
2014
Mandatory e-filing
for companies

2000
Current Year
basis

2001
SAS for
Companies

2004
SAS for other
categories

2006
e-Filing



YEAR	Total submission via e-Filing	Total Cost Saving [USD2.14 per physical form processed] (USD)
2006	189,330	402,034.07
2007	712,283	1,512,502.17
2008	1,194,280	2,536,001.98
2009	1,613,206	3,425,573.23
2010	1,975,040	4,193,912.10
2011	2,356,124	5,003,127.51
2012	2,859,459	6,071,937.63
2013	3,257,223	6,916,572.30

BUSINESS PROCESS RE-ENGINEERING

- Changes in Tax Laws
- Changes in ICT

SIMPLIFIED DELIVERY SYSTEM

Process Improvements

Ez Hasil



Hasil Service Centre
(PKH)

idea_desire@hasil.gov.my

Pre-filled tax returns

Dispute Resolution Department

Final tax for individuals - employment income

Public Ruling

www.hasil.gov.my
1-800-88-5436(LHDN)

SERVICE CENTRES - 24 CENTRES

- Stamp Duty
- Tax related services

OUTPUT CENTRE

- Centralised issuance of Return Forms

PROCESSING CENTRE

- Centralised processing of Return Forms received

CALL CENTRE

- In-Bound Calls
 - Enquiries - Filing seasons
 - Other tax matters
- Out-Bound
 - Defaulters in payment
- 2 Centres
 - Kuala Lumpur (Main)
 - Kuching (Back-up)

DATA RECOVERY CENTRE

- Unmanned centre
- Part of Enterprise Risk Management

DECENTRALISATION OF COLLECTION ACTIVITIES

DECENTRALISATION OF SME's

- Within Klang Valley Branches

E-STAMPING

DOCUMENT MANAGEMENT SYSTEM (DMS)

CHANGES IN TAX LAWS AND PROCEDURES

- To reflect business-friendly approach

INTEGRATED AND COMPREHENSIVE ENFORCEMENT STRATEGIES

Select Reform Highlights

Tax rate reduction

Increase of personal reliefs

Compensation for late tax refund

Replacing imputation system with single-tier approach

Preferential tax rate for SME company

CO-OPERATIVE COMPLIANCE

- Large Business and SMEs

GREATER USE OF IT

- Debt Management System
- Tax Survey Program

SECONDMENT

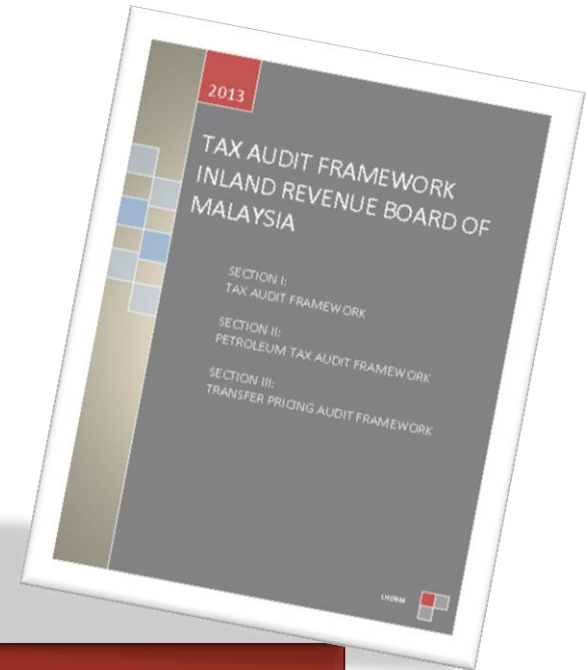
- Tax agencies
- Other agencies

Selection

- Risk based analysis

IT Systems

- Data warehouse
- Audit management



Segmentation

- Large / SME corporation
- Special industry

Legal

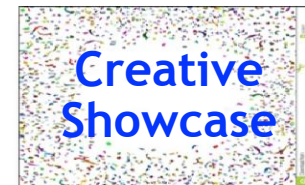
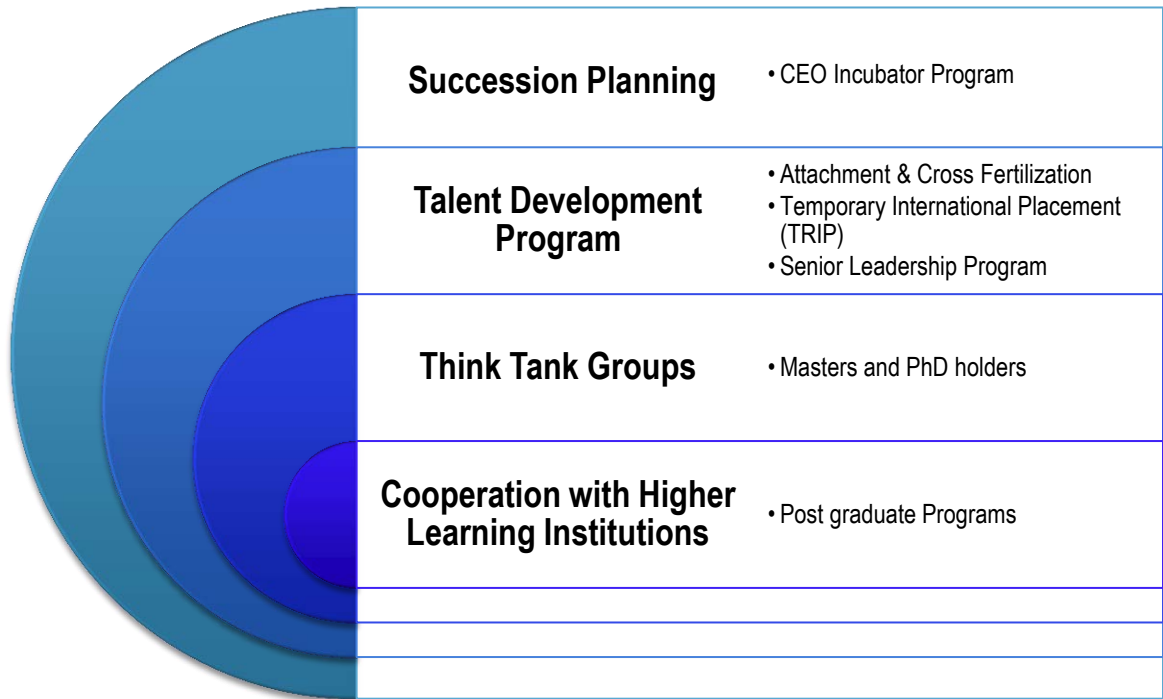
- Cross border transactions
- Exchange of information

Organization

- Inter agency joint audit

Business Transformation
is all about factoring
human in the
transformation process

The Driving Force





‘Human represents the corporation. Hence, if we want to change corporations - we must change human behaviour’

BUT

*‘ Human behaviour is not easily changeable. Thus, to achieve a real transformation, we have to change **THE MOTIVATION** that drive behaviour ’*



- Motivation
- Sense of Belonging
- Productivity
- Tax Collections

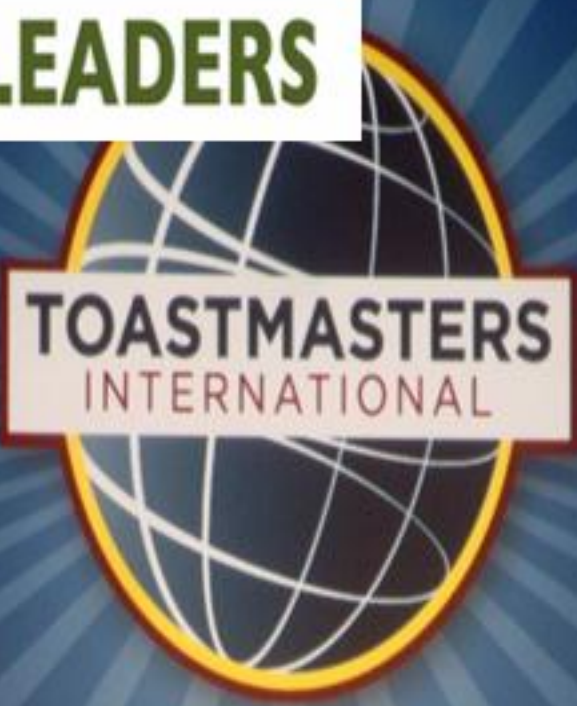
THE BUTTERFLY EFFECT

Succession Planning



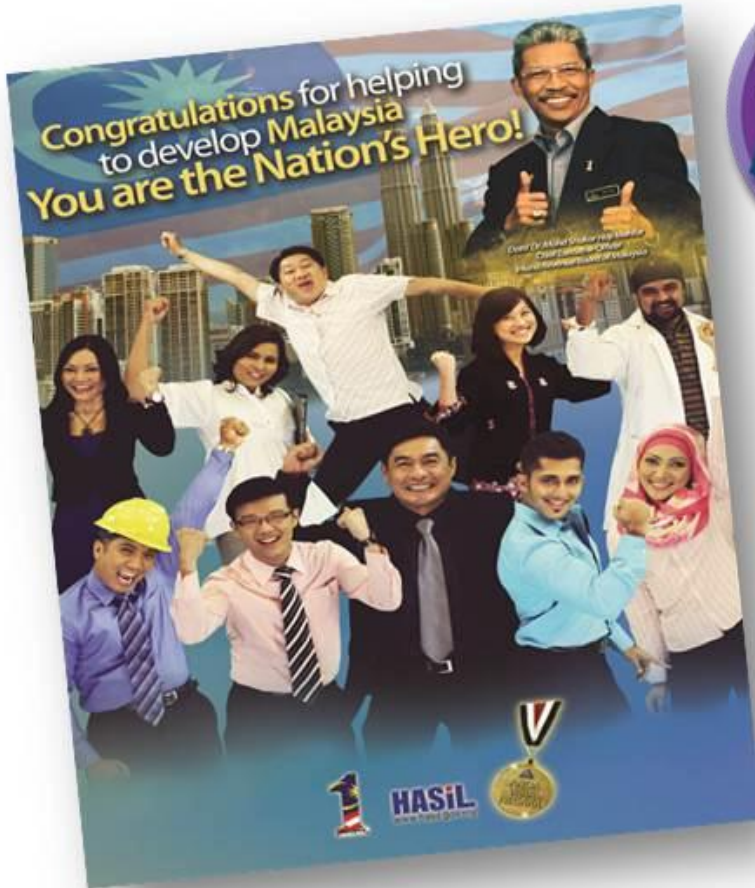


NURTURING LEADERS



**TOASTMASTERS
INTERNATIONAL**

WHERE LEADERS ARE MADE



- *Junior Tax Office at Kidzania*
- *Tax education and awareness at early stage*



Tax Literacy Camp with Secondary School Children(KCC)

HASiL Your Feel Good Partner

Tagline & Theme Song

**BE WITH US ... OTHERWISE
WE WILL ROCK YOU**



**NOTHING
IS IMPOSSIBLE.**

HASiL Your Feel Good Partner

MEASUREMENT OF TAX BASE

- Total population / total businesses / total workforce
- Percentage of GDP Growth

RIGHT SIZE OF TAX AUTHORITY

- Number of auditors vs. number of taxpayers
- Number of auditors vs. size of population

TAXPAYER SEGMENTATION

- Utilisation of tax officials
- Correct strategies
 - Enforcement
 - Delivery system

*Thank
you!*

HASiL Your Feel Good Partner

**Managing Tax Ecosystem
For Sustainable Growth**