

# JICA GDT Project News

Apr. 2013

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## Project programs rolling forward

Following on from the successful Otake mission which provided an opportunity for sharing ideas on problem solving, the second program in the series, "Critical Thinking: Application to Tax Administration" was conducted in January 2013 by two senior lectures from Japan. This seminar provided participants with the ability to logically analyze problems to overcome challenges. Part 2 in this series incorporated actual case studies from Cambodia with participants utilizing learnt concepts to identify solutions. This seminar was

conducted over two weeks at the end of March by the same lectures in three regions.

Two Regional Circuit Trainings have been conducted since January. Also a Workshop to discuss making PR materials using Media and a Training for Tax Audit were provided by lectures from NTA and NTC, Japan. These programs were all practical and the knowledge obtained can be more effective when utilized with the basics of "Critical Thinking."

## Establishing Data Processing Center and Call Center priority for Director General

Study Visit  
Data Processing Center  
Revenue Department of Thailand  
4-5 Mar.

### H.E. Kong Vibol, DG, led delegation to Thailand in preparation for GDT's Data Processing Center (DPC) and Call Center.

Data input and verification at centralized Data centers and responding to taxpayers' inquiries at Call centers were outsourced to cut down costs and allow flexible staff management. All office work is evaluated by Key Performance Indicators (KPIs) and reviewed annually to improve efficiency and service

standards. Thailand is aiming to change "Work process, Policies, Operation and Officers' perspectives" and improve "Quality of work."



One staff verifies 300 returns per hour and each return is verified by 3 people

## Highlight

- Critical Thinking is the intellectual process of logical analysis to explain issues and find solutions with accurate reasons
- Master's Program in Japan: English scores need preparing for June application opening
- Taxpayer Satisfaction survey was conducted with a good cooperation of taxpayers' response

## Life time tools, “Critical Thinking”

### Seminar Critical Thinking

Application to Tax Administration  
8-11 Jan.

**In essence, “how to fish” but not “fish itself”**

Over a hundred officials including directors from all tax branches were invited. Mr. Kodera, Certified Public Tax Accountant and Mr. Ishiguro, Associate Professor of JOBU University, Japan, both former tax officers of NTA, facilitated discussions.

Critical Thinking is the intellectual process of logical analysis to explain issues and find solutions with accurate reasons. Participants found that it is important to make all rules of taxation transparent to realize fair taxation and enhance taxpayers’ compliance.



Opening remarks of H.E. Kim Sopheak for Critical Thinking

## Project reach extends to Vietnam border

### Training@Svay Rieng 17-18 Jan.

**Officers’ priority to improve Taxpayer Service.** A total of 32 officials participated in training from Svay Rieng and Prey Veng. Particular interest shown to Equally Tax education and Accounting.

#### Contents:

1. Taxpayer Service: by Mr. Tep Chamroeun, Deputy Chief, TSTAD
2. Tax Education: by IMAI
3. Tax Audit in Japan: by IMAI

4. Basic Accounting for Trainers: by Mr. LIM DELUX, Officer, PAFD

5. IT Consultation: by Mr. Heng Daravuth, Chief, and Mr. Ros Sarak, Deputy-chief, ITD



Critical Thinking is the intellectual tool to frame and analyze issues of tax administration accurately and deeply

## Flying into cold Japan for overseas training

### Training in Japan Measures to Promote SAS 12-19 Feb.

**Key is smooth transfer from Estimated Regime for tax filing.**

Participants grasped the two pillars, taxpayer service and enforcement. They visited a Tax Office in Tokyo and observed a taxpayer seminar on “how to file corporation tax return” jointly conducted with a private organization. Seminar need to be orga-

nized timely, focused on single topic with competent lecturers. Another important learning point was tax education to encourage taxpayer to comply including future taxpayer. Enforcement to tackle non-compliant taxpayers should come after providing service.



Whole study experience was memorable

## Taxpayer Service is key to improving Compliance

Training@Banteay Meanchey 13-14 Feb.

**Improving taxpayer service is most important to enhance taxpayers' compliance.** 53 officials in total participated from Banteay Meanchey and Odormeanchey Tax Branches. Officers' needs were to learn Accounting and LOT to provide guidance to taxpayers.

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1. Tax Education: by IMAI

2. Tax Audit in Japan: by IMAI

3. Basic Accounting for Trainers: by Mr. Sun Votthy, Director, NTS, PAFD

4. Taxpayer Service: by Mr. Tep Chamroeun, Deputy Chief, TSTAD

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Group exercise of Accounting

## Posters are the most cost effective PR material!

Workshop  
PR materials using Media  
27 Feb.-1 Mar.

Mr. Kumamoto from PR office, NTA and Ms. Mogawa from NTC were dispatched to discuss on making PR materials in GDT. All task-force members of Taxpayer Service were invited to join. In Japan, the NO1 recognized material for tax filing period is "Poster" (47.6% recognition) followed by TV news or programs (39.3%). Participants ex-

pressed their understanding of this workshop was very high, so it is expected that they will produce various PR materials this year.



Questionnaire of Regional Circuit trainings confirmed the necessity of Accounting and LOT knowledge to be improved by long-term training at NTS

## Master's Program in JAPAN

English scores need preparing for June application opening!

There are graduate scholarship programs for tax officers in Japan. This program is a joint program of Japan and WB and, lectures are provided by the NTA.

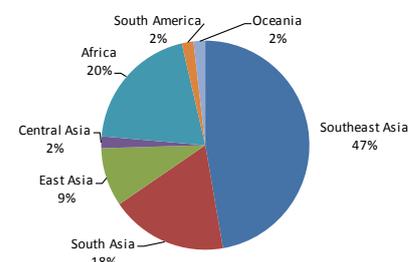
Keio University, Tokyo  
Master's Degree Program in Taxation Policy and Management

### Eligibility:

1. Officers with at least 4 years of full-time professional experience in tax policy or administration
2. English score: TOEFL 80/iBT or IELTS 6.0
3. Age between 25 and 45

Applicants must fulfill all the requirements. Please contact to the Project office for more information.

Student Participation by Country  
2011-2013



## “Gross Profit” is the clue of taxpayers’ risk

**Training**  
**Tax Audit Practice**  
 11-15 Mar.

**Essential know-how for tax auditors are; Accounting, Tax law and Commonsense.**

Participants had several group discussions in a quiz format to deepen their understanding of risk analysis. The content was very practical, “how to analyze” and “what documents need to be checked to confirm identi-

fied risks.” Prof. Ikeda and A. Prof. Orikasa from NTC led the training to mainly young officers in GDT and Khan Tax Branches. At the end, Prof. Ikeda reported to H.E Kim Sopheak about the training and made three requests; to further share knowledge within the organization, actually employ the techniques learned on the job, and tax auditors to be more flexible to tackle issues.



Check trend of “Gross Profit” and think from different angles

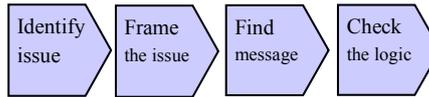
## GDT Officers getting to grips with the Pyramid Structure

**Seminar**  
**Critical Thinking2**  
 25 Mar.- 5 Apr.

**Many officers now understand “how to fish”**

Sessions were conducted in Phnom Penh, Siem reap and Preahsihanouk with actual cases used e.g. issues on *Non-compliance* and *Extending tax filing period* etc. Prof. Ishiguro stressed, “keep focusing on the issue and never forget what the purpose is”

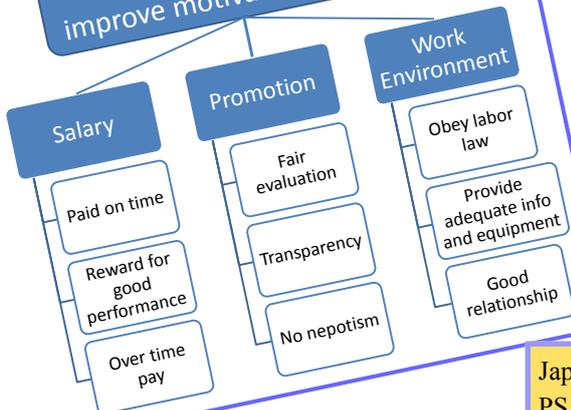
### Steps to make Pyramid Structure (PS)



About 350 officers in total learnt “Critical Thinking”

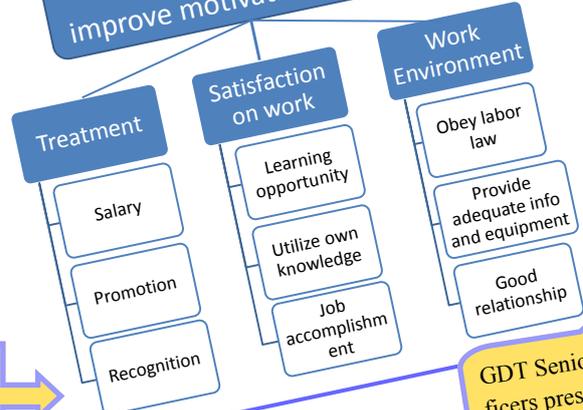
GDT young officer’s PS

What should we do to improve motivation of staff?



Japanese PS

What should we do to improve motivation of staff?

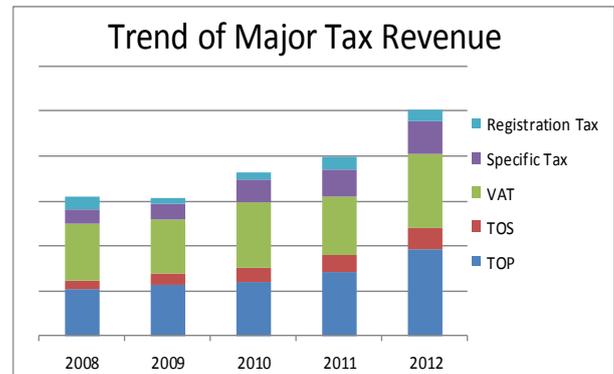


GDT Senior officers presented very similar PS

## GDT efforts along with rising business activity increase revenues

GDT continues to get widespread coverage in the media due to year-on-year increases in revenues. This is due to efforts by GDT and tax branches, and increasing business activity. GDT achieved a 111% revenue increase in 2011 and a 125% in 2012. This trend is continuing into 2013 with revenues in February roughly 128% of the same period in 2012. The biggest reop in 2012 was Tax on immovable property (154%)

followed by TOP on private enterprises (141%). The Project will continue capacity development of tax authority and institutionalize activities to enhance taxpayers' compliance.



## Good cooperation of taxpayers on survey responses

### Taxpayer Satisfaction Survey conducted

Taxpayer satisfaction exit survey was initiated by JICA experts and 1,463 results were collected. Surveyors visited 4 provincial tax branches, Kampong Cham, Battambang, Siem Reap and Preahsihanouk between



13th and 15th March. Also the same survey was carried out at GDT, Khan Daun Penh, Khan Chamkarmon, Khan Tuol Kork tax branches from 27th to 29th March. Now they are being analyzed and we aim to publish the report in August 2013.

The Project will continue capacity development of GDT to increase revenue

## What's on ...

### Up coming Events

3-4 May

Study Visit to Singapore Data processing center and Call center

6-10 May

Training: Tax Audit Techniques without checking documents @ Battambang and NTS, collaboration of Mr. Takeuchi, Advisor to Inland Revenue Board of Malaysia, and IMAI

3-7 Jun.

Training Program in Japan: Measures to promote SAS: Taxpayer Service

### Work in Progress

**Tax education sub-group**

Drafted tax education poster and leaflet and Tax filing period sign. Aiming to make the sign and display at GDT and all tax branches in May

**FAQ sub-group**

Drafted Q&A for TOP, VAT, Patent tax and Property tax. All branches are encouraged to submit more Q&A to GDT.

**Tax Audit working group**

Format for Audit Case Book was approved by DG. Taskforce member will share their experience.

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F o r G D T a n d f o r t h e P e o p l e o f C a m b o d i a

The Project will issue this newsletter to inform you our activities and progress. As we are all in the same boat, your participation is strongly encouraged. The Project commits to be responsive for your comments and requests. So, please let us know what you think.