



13TH ATAIC ANNUAL TECHNICAL CONFERENCE

REINFORCING COMPLIANCE IN TAX ADMINISTRATION

The Way Forward With Advanced Data Analytics (ADA)

MR. MAHMOOD BIN DAUD

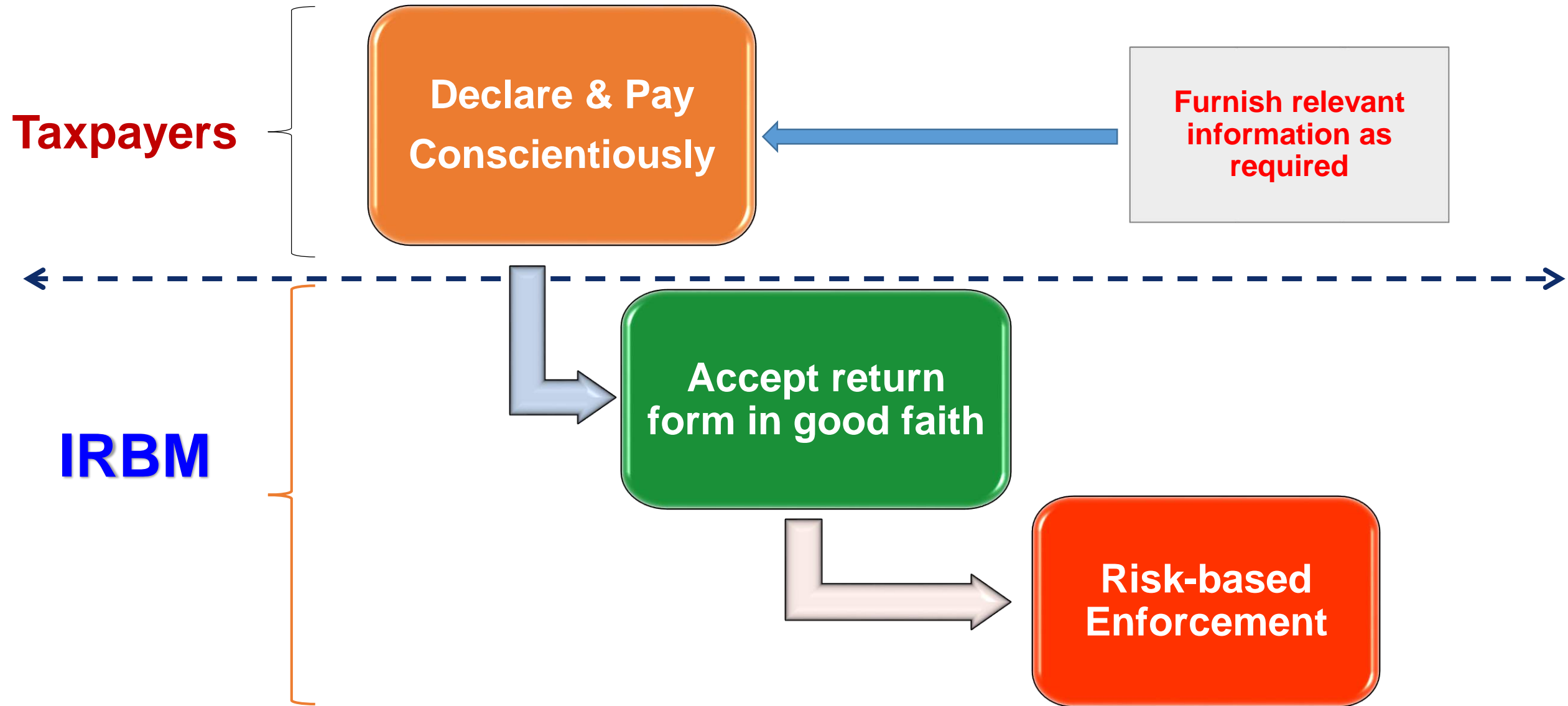
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THE SPIRIT OF SELF ASSESSMENT SYSTEM (SAS)



FOCUS : RISK BASED ENFORCEMENT

In Tax Net



Non-submission
Under reporting
Non-payment
Incentives

Outside Tax Net



Non-registered

**SHADOW
ECONOMY**

**Use of ICT
technology
software to
transform
data to
Solutions.**

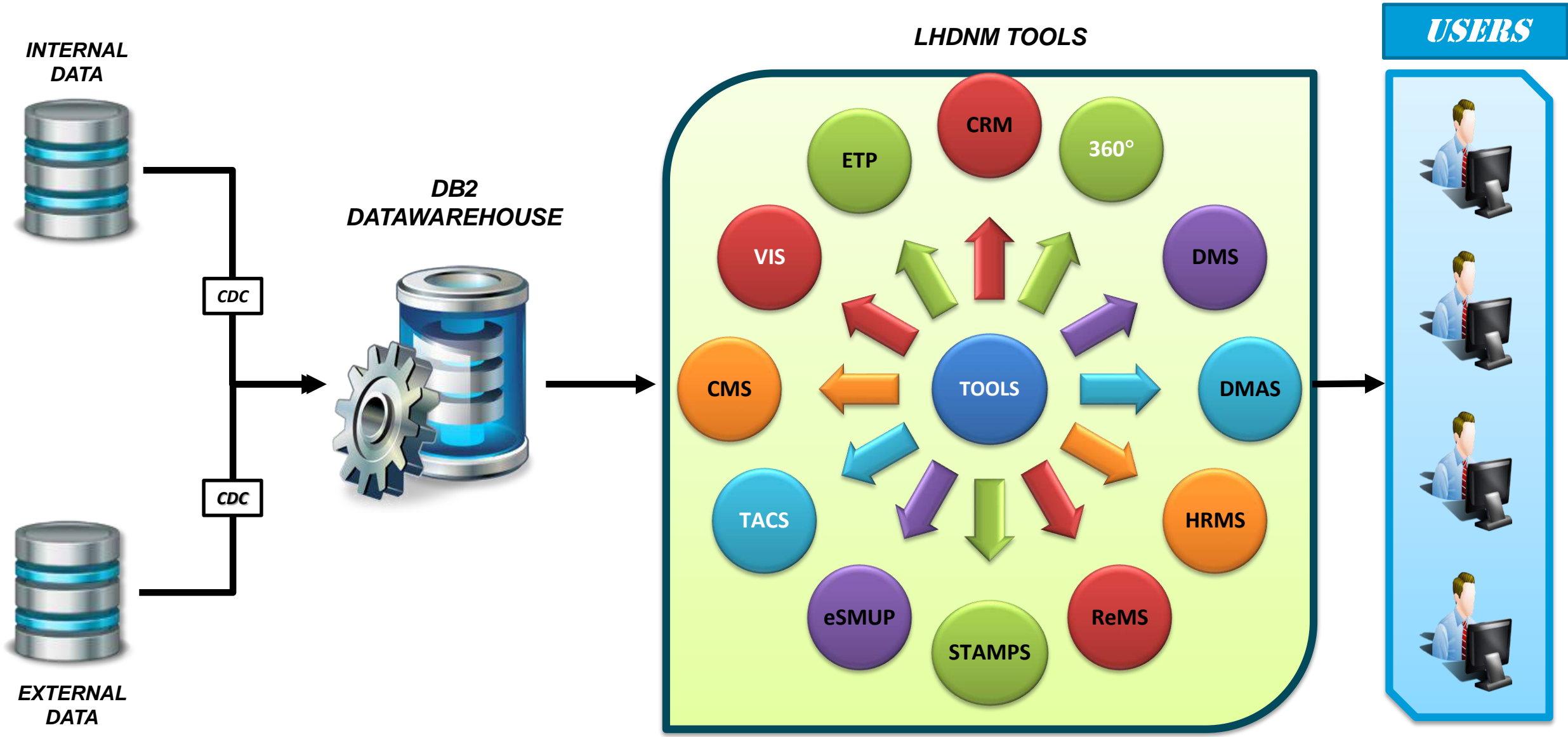


SOLUTIONS

SOFTWARE

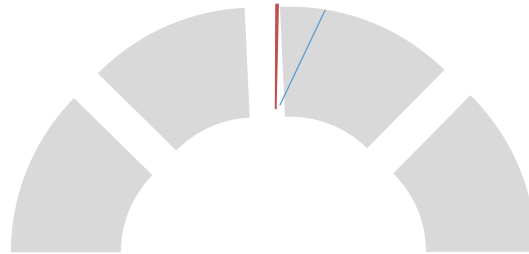
DATABASE

TRANSFORMING DATA INTO VALUABLE INFORMATION

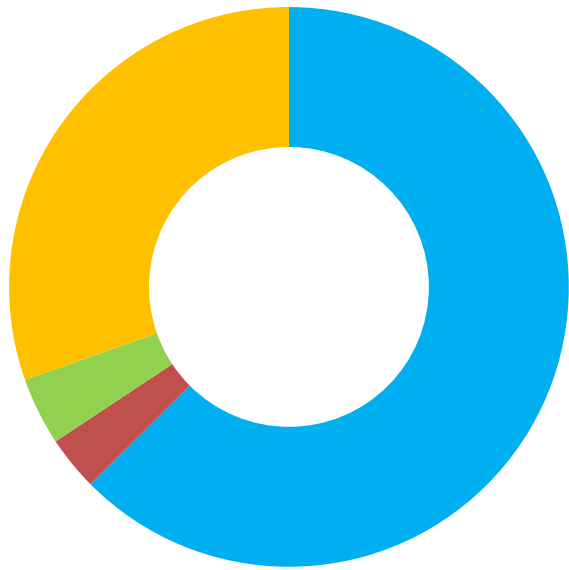


REVENUE COLLECTION DASHBOARD

REVENUE COLLECTION



ADVANCED PAYMENT



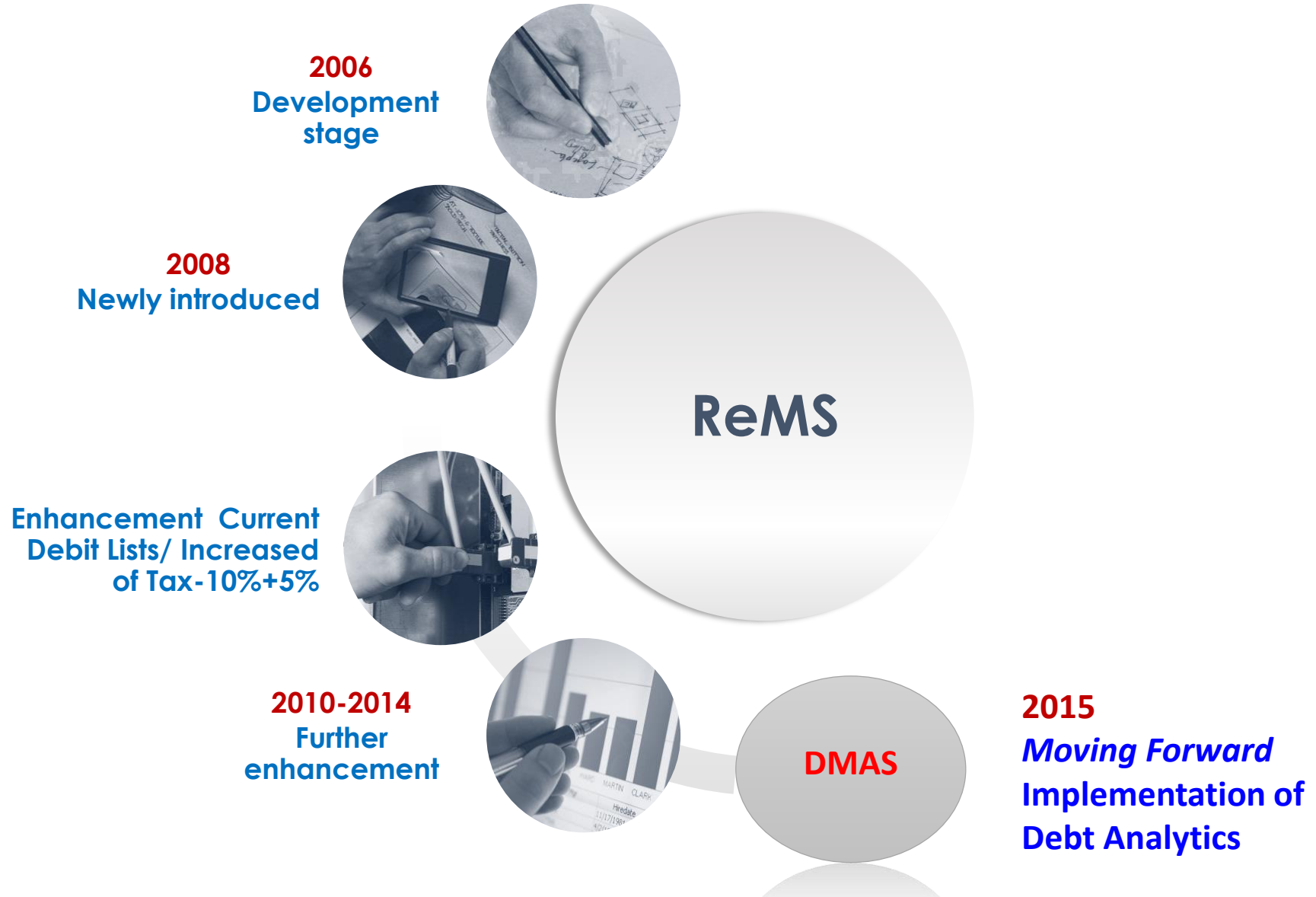
■ COMPANY
 ■ BUSINESS
 ■ PETROLEUM
 ■ INDIVIDUAL

TAX BALANCE

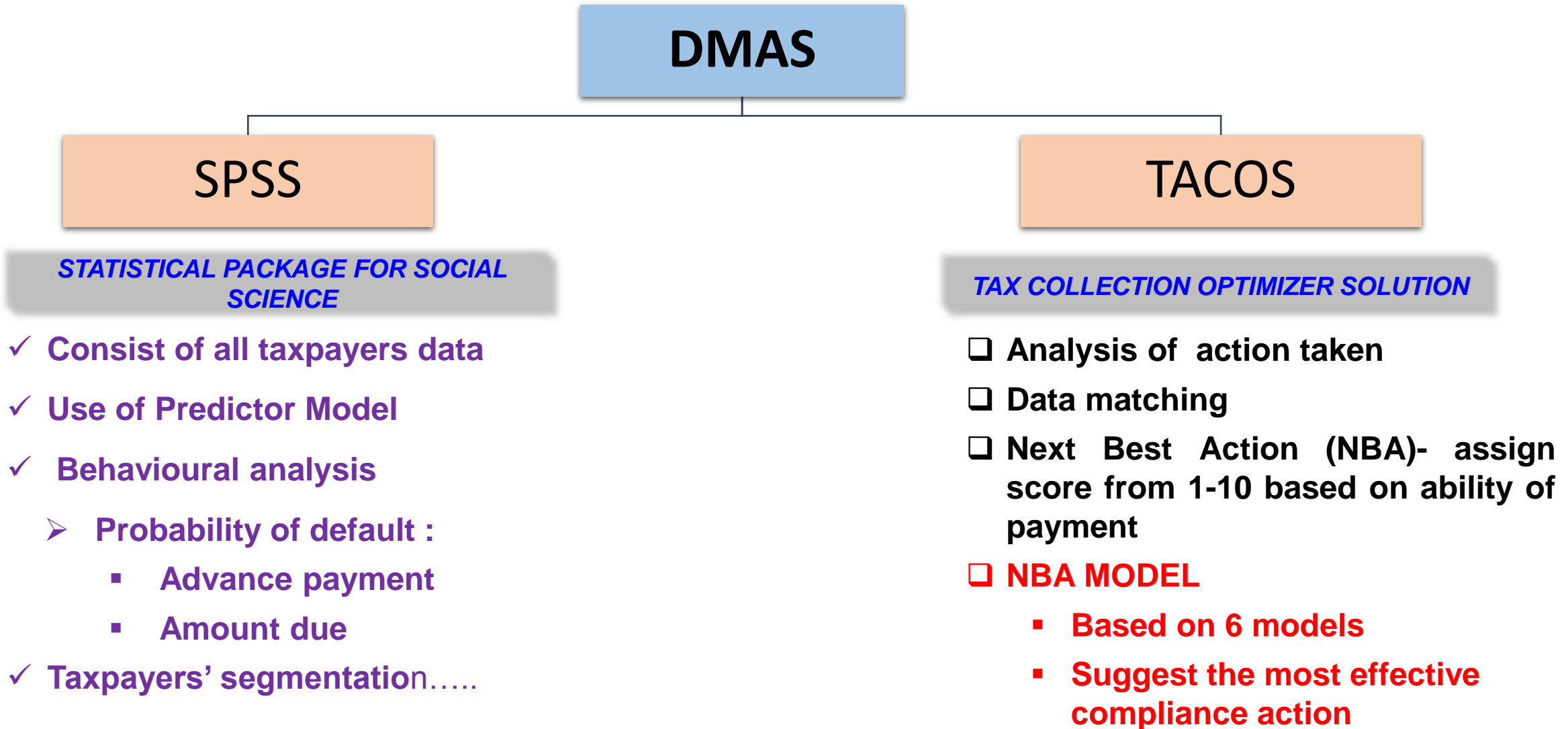


■ COMPANY
 ■ INDIVIDUAL
 ■ PETROLEUM
 ■ OTHERS

HISTORY: REVENUE MANAGEMENT SYSTEM (ReMS)



DEBT MANAGEMENT ANALYTICS SYSTEM



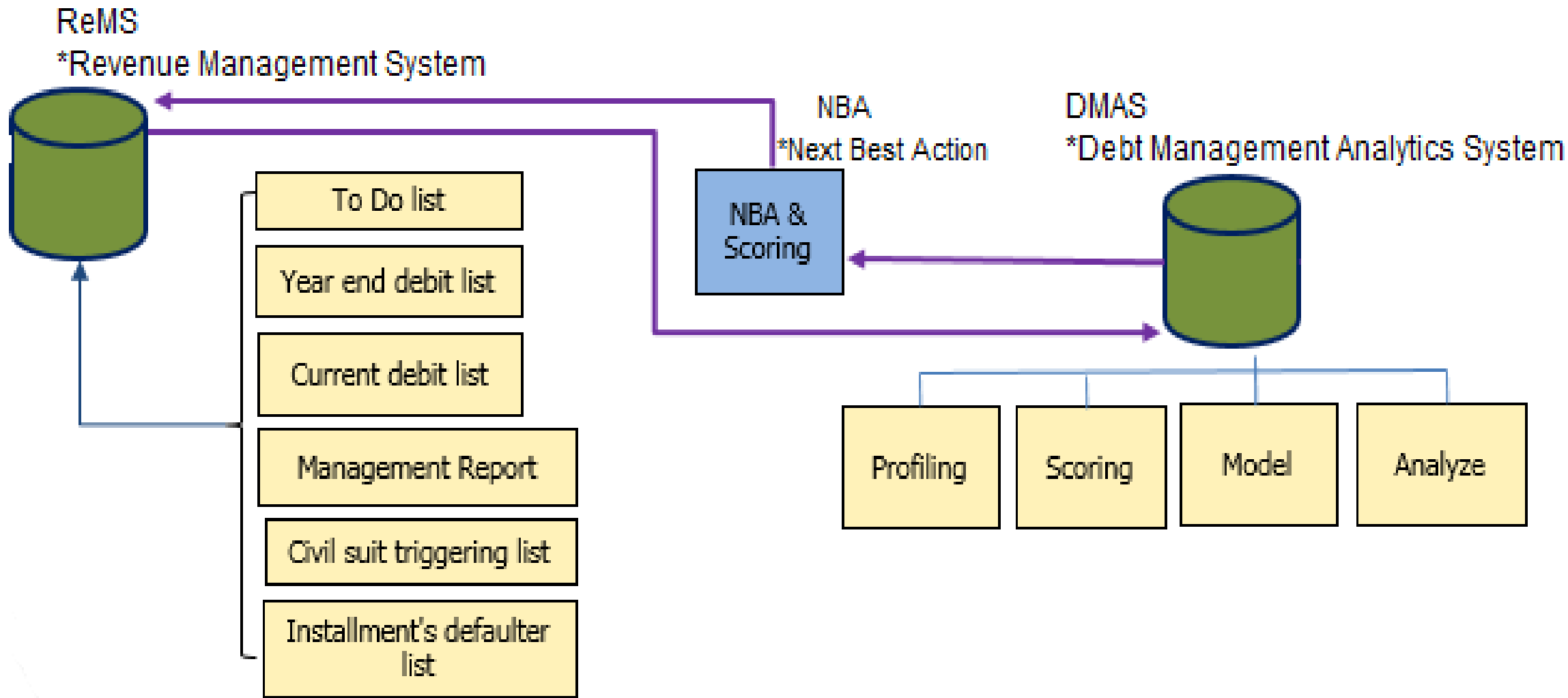
REVENUE MANAGEMENT SYSTEM (ReMS)



- 1 TO DO LIST
- 2 *YEAR END DEBIT LIST*
- 3 CURRENT DEBIT LIST
- 4 MANAGEMENT REPORT
- 5 CIVIL SUIT TRIGGERING LIST
- 6 INSTALLMENT'S DEFAULTER LIST

NO ANALYTICS!

DMAS – ReMS RELATIONSHIP



DEBT MANAGEMENT ANALYTICS SYSTEM (DMAS)

TAX COLLECTION OPTIMIZER SOLUTION (TACOS)

REMINDER

- Letter of reminder
- Search for Administrator/ Employer
- Contact Adminstrator /Employer

LEVEL 2A

- Appointment of Agent
- Caveat
- Visit to premises.

LEVEL3

- Civil suit
- Write Off

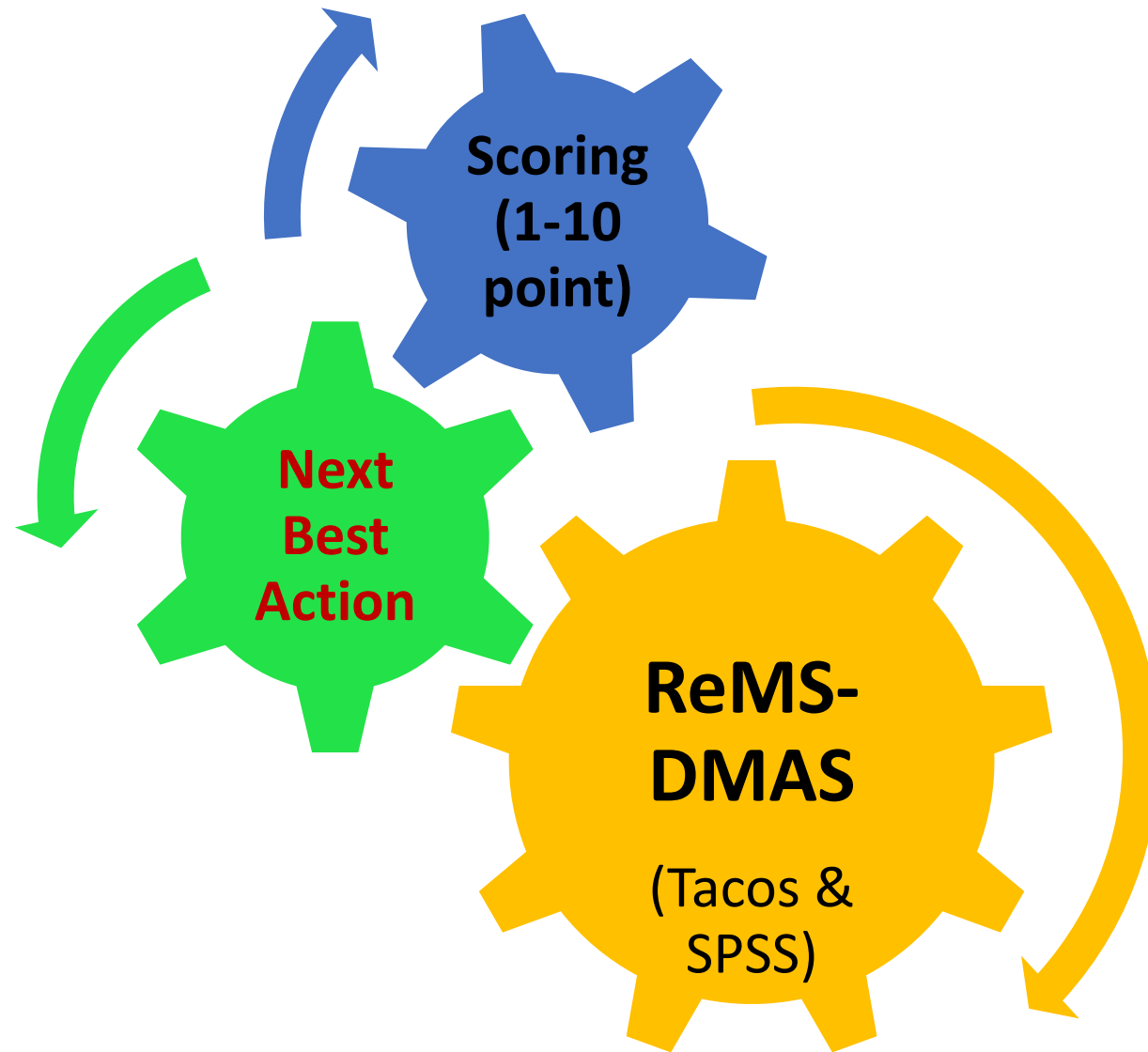
LEVEL 1

- Installment - Employers
- Installment - Others
- Tax Account Statement

LEVEL 2B

- CP91 (Notification of Civil Proceeding)
- S104 (Travel Restriction)
- S75A (Travel Restriction for company Directors)
- XC18 (Preparatory Statement for Civil Proceeding)

ReMS-DMAS (TACOS) FLOW



DMAS: SCORING FOR CATEGORIES

- STATISTICAL PACKAGE FOR SOCIAL SCIENCE (SPSS)**

Score	Risk category
>600	VERY LOW RISK
500-600	LOW RISK
400-500	HIGH RISK
< 400	VERY HIGH RISK

SPSS Model's Results				
\$R-advance_payment_flag	\$RRP-advance_payment_flag	\$RI-advance_payment_flag	advpmt_riskscore	Risk Category
0	0.099	45	543.014	Low Risk
0	0.087	42	553.109	Low Risk
0	0.099	45	543.014	Low Risk
0	0.099	53	543.4	Low Risk
0	0.099	45	543.014	Low Risk

SPSS Model's Results				
\$R-advance_payment_flag	\$RRP-advance_payment_flag	\$RI-advance_payment_flag	advpmt_riskscore	Risk Category
1	0.846	49	260.932	Very High Risk
1	0.959	63	156.372	Very High Risk
1	0.959	63	156.372	Very High Risk
1	0.959	63	156.372	Very High Risk
1	0.906	64	220.483	Very High Risk
1	0.794	12	286.584	Very High Risk
1	0.959	63	156.372	Very High Risk
1	0.906	64	220.483	Very High Risk
1	0.959	63	156.372	Very High Risk
1	0.794	12	286.584	Very High Risk

DMAS PROVIDES SOLUTIONS TO USERS

RECOVERY OFFICERS (BRANCHES)

TACOS Tools

NEXT BEST ACTION (NBA) & SCORING

i.e. List of taxpayers with high scoring (e.g. 10 points) will be prioritized

HASIL RECOVERY CALL CENTRE (HRCC)

SPSS Tools

SEGMENTATION OF TAXPAYERS & SCORING

i.e. Very high risk taxpayer will be tackled first by way of phone calls and email blast



EFFECTIVENESS OF ReMS

ReMS WITHOUT DMAS

- No Analytics
- Less efficient action taken to collect tax outstanding
- Longer time to recover debt
- Taxpayer makes payment only after trying multiple payment plans
- Taxpayer makes payment only after incurring considerable costs



ReMS WITH DMAS







- NBA- with analytics
- Segmentations of taxpayer (according to scoring)
- More focused, structured and standardised compliance action
- Reduced lead time (Revenue collections are faster)
- Minimized collection cost (more efficient with analytics)



EFFECTIVENESS OF ReMS

Segmentation of Year End Debit cases (Structured & Focused)

Ringkasan Tugas

Senarai	Debit Akhir Tahun	Baki Awal	Baki Semasa	Debit Semasa
 BELUM AGIH	8,450	76,810,208.72	74,903,406.25	5,662
 SUDAH AGIH - ADA TINDAKAN	16,978	104,616,311.26	108,029,411.37	12,461
 SUDAH AGIH - TIADA TINDAKAN	22,107	64,028,058.82	59,498,691.69	4,246
 UNTUK AGIHAN SEMULA	108	782,839.56	724,684.28	49
 KES SELESAI / BERBAKI KREDIT	9,023	17,614,357.99	-817,687.53	25,397
 DALAM TINDAKAN UNDANG-UNDANG (SENARAI C2)	2,411	53,545,264.41	52,402,212.97	0
Jumlah	59,077	317,397,040.76	294,740,719.03	47,815

Segregations by action level

Ringkasan Mengikut NBA

NBA	Senarai	Debit Akhir Tahun (a)	Baki Awal (b)	Baki Semasa (c)
PERINGATAN - Surat Peringatan	SUDAH AGIH - TIADA TINDAKAN	<u>1,127</u>	727,232.31	710,619.34
TAHAP 2A - Perlantikan Ejen	SUDAH AGIH - TIADA TINDAKAN	<u>1</u>	505.82	505.82
TAHAP 2A - Kaveat	SUDAH AGIH - TIADA TINDAKAN	<u>2</u>	504.91	743.54
TAHAP 2B - CP91	SUDAH AGIH - TIADA TINDAKAN	<u>2</u>	1,917.00	1,865.40
TAHAP 2B - Sekatan Perjalanan Sedia	SUDAH AGIH - TIADA TINDAKAN	<u>84</u>	58,497.31	62,032.00
TAHAP 3 - Cadang Hapuskira Sedia	SUDAH AGIH - TIADA TINDAKAN	<u>4</u>	4,049.46	4,049.46
RALAT - Tiada Rekod Dari TACOS-DMAS	SUDAH AGIH - TIADA TINDAKAN	<u>0</u>	0.00	0.00
TIADA TINDAKAN - Tiada Tindakan, Dalam Tempoh	SUDAH AGIH - TIADA TINDAKAN	<u>112</u>	7,880.05	-739.02
Jumlah		1,332	800,586.86	779,076.54

Segregations by NBA

EFFECTIVENESS OF ReMS

Increase in Tax Debt Collection

Year	Success Rate (%)
June 2016	26.44
June 2015	18.82

Rate of Increase in Tax Debt Collection Comparison for June 2015 and 2016

EFFECTIVENESS OF ReMS

Performance of Outbound Calls Activities (Hasil Recovery Call Centre - HRCC)

A. Telephone Calls

No. of taxpayer Data (A)		No. of telephone calls (B)		Actual Taxpayer Reached (C)		Payment collected (D)		Success Rate RM % (D/C)
No.	RM	No.	RM	No.	RM	No.	RM	
22,705	240,599,350.62	21,210	212,638,683.31	7,599	35,259,451.02	4,459	17,961,987.86	51

Statistics HRCC Jan-Julai 2016 for Current Debit List (CDL) by Telephone Calls

Legend:

- (A) - No. of Data to be called by HRCC
- (B) - No. of telephoned called and RM affected
- (C) - Actual Taxpayer Reached
- (D) - Payment collected



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THANK YOU

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