

Margarida Ngaca António

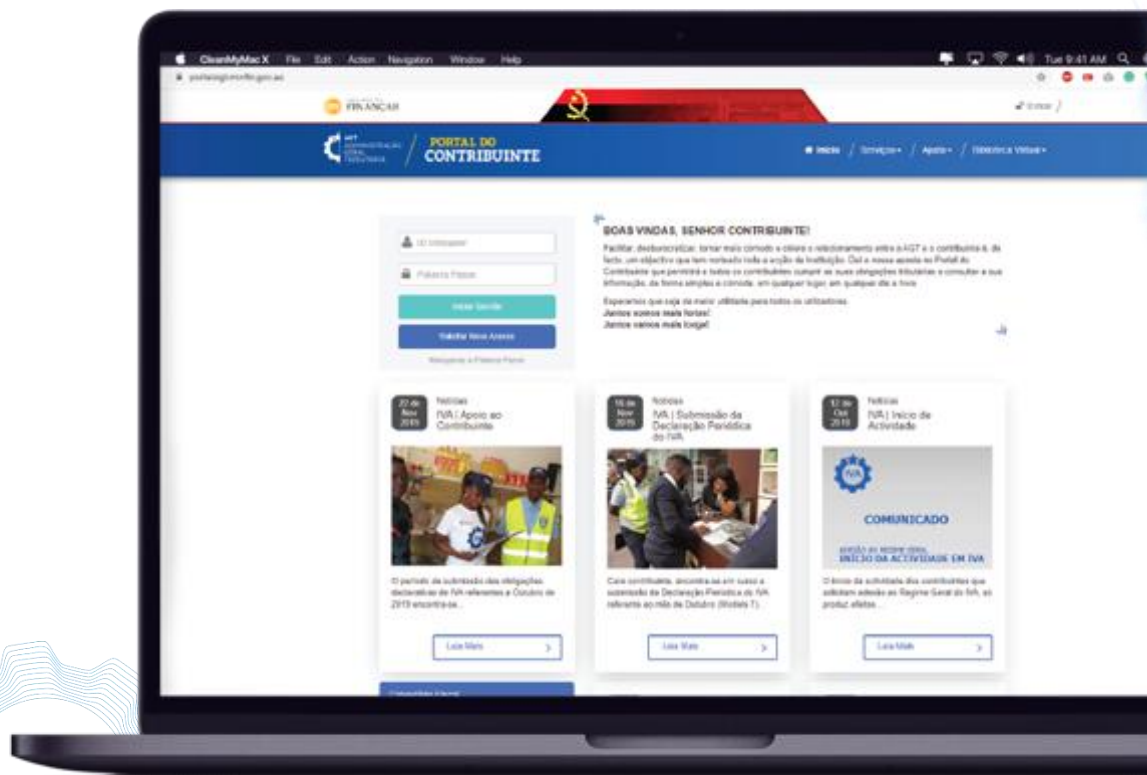


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BUILDING A GROWTH-FRIENDLY TAX ENVIRONMENT

AGT TECHNOLOGICAL EVOLUTION



GTI – Gabinete de Tecnologia de Informação

Introduction

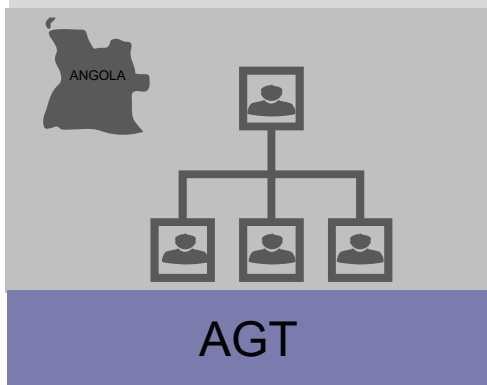
- **The following presentation aims to identify and describe main technological modernization initiatives developed by AGT in last recent years.**
- During this period, a wide range of innovative products and solutions were successfully developed and implemented, positively transforming the reality of all economical agents, increasing non-oil tax revenue and generating significant savings for the Angolan State, with great benefits for citizens and companies.
- In order to achieve those results, it was fundamental to work closely with taxpayers and partners to increase its trust and confidence in AGT innovative and disruptive tools that were designed within the scope of Technological Projects.
- AGT technological transformation is a long-term continuous process, and that is the reason why a large set of initiatives to launch new products and features in order to consolidate the results already achieved are already planned for 2021.



Apart from the improvements introduced to fiscal Angola Fiscal System, changes introduced by SIGT also generated a significant set of positive outcomes to the Angolan State:

- 1 Increase State capacity to cope with current expenditure and budget commitments** in a period characterized by oil revenue decrease;
- 2 Decisive contribution to improve “Paying Taxes” indicator in Doing Business Ranking**, area in which Angola is best ranked;
- 3 Bet on the digital channel and disruptive products to meet citizen and company needs** and thus facilitate compliance with tax obligations (eg.: Taxpayer Portal, AGT Mobile Application);
- 4 Modernization and procedural dematerialization** to allow economic agents to maintain their regular activity in periods of exceptional difficulty such as those currently experienced with COVID 19 situation.





- Improve revenue control and planning
- Increase revenue collection, mainly non-oil revenue
- Reduce tax evasion and fraud
- Focus on activities with high added value
- Develop a single and integrated vision of the taxpayer
- Allow crossing information with external entities
- Increase agility of tax processes and tax enforcement processes

- Increase the tax system intelligence and automation
- Improve communication and interaction with the taxpayer
- Provide easier and simpler declaration and payment processes
- Harmonize and optimize tax processes and procedures
- Increase transparency and trust in the tax system for the taxpayer
- Promote voluntary tax obligation compliance

TOP 10 Technological Initiatives

- 01 \ Centralized system with real-time updated information (online).
- 02 \ Expansion of the Fiscal Tax Base and update of Registration Database.
- 03 \ Replacement of DLI/DAR (physical triplicated documents) by DC (electronic).
- 04 \ Creation of a payment reference for electronic payments (RUPE).
- 05 \ Development of new presential and virtual payment channels.
- 06 \ Automation and centralization of payment reconciling processes.
- 07 \ Real-time revenue and management information.
- 08 \ New Taxpayer Portal as a Virtual Tax Office.
- 09 \ Electronic Declarations.
- 10 \ Integration with other Government and non Government Systems.

02 \ Expansion of the Fiscal Tax Base and update of Registration Database

As a result of SIGT implementation, the total number of taxpayers and the quality of registration data in the system verified a substantial increase due to the actions carried out within the scope of the project.

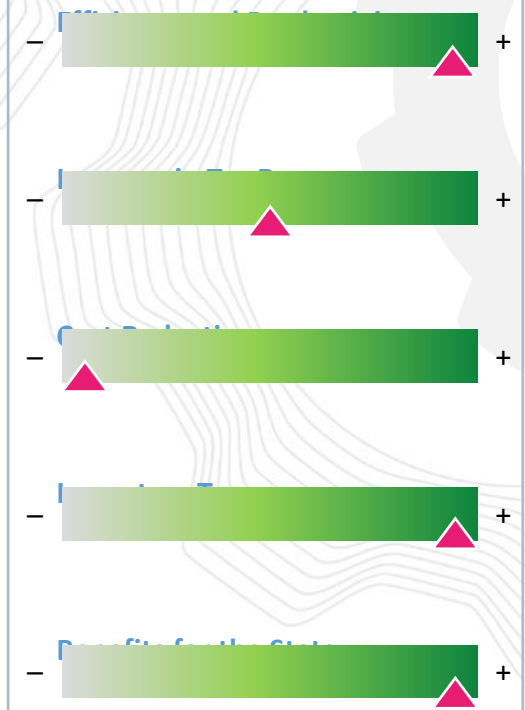
INITIAL SITUATION

- ❌ Taxpayers with multiple NIFs (duplicated);
- ❌ Registration forms with very limited fields and few validation rules;
- ❌ Non existing integration with Ministry of Justice Database (Citizens Database).

ACTUAL SITUATION (SIGT)

- ✅ Implementation of Decree 366/17 - NIF becomes equivalent to ID number for national citizens;
- ✅ New complete registration form with restrict filling validation rules;
- ✅ Integration with the Ministry of Justice Database (Citizens Database) allowing automatic filling and validation;
- ✅ Registration database update based on data provided by the Ministry of Justice;
- Increased tax base - total number of taxpayers has almost doubled since SIGT system was implemented.

IMPACT OF THE INITIATIVE



03 \ Replacement of DLI/DAR (physical triplicated documents) by DC (electronic)

Changes implemented in settlement and payment procedures allowed to eliminate old physical forms (triple carbon paper), generating significant savings both for AGT and taxpayers.

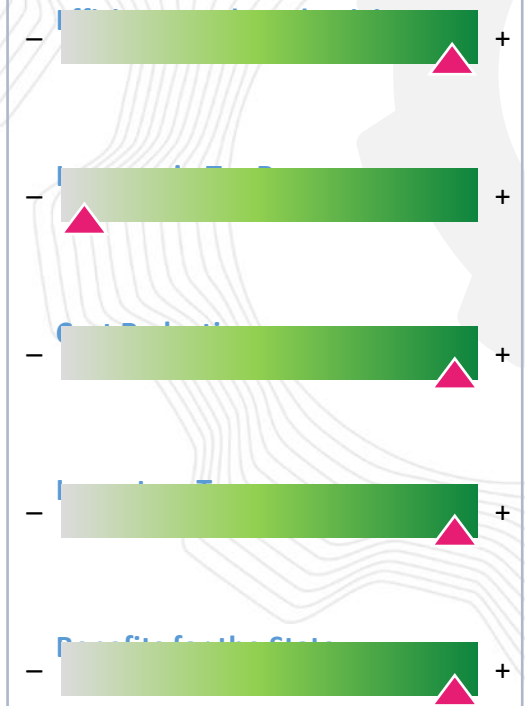
INITIAL SITUATION

- ❌ Compliance with tax obligations (DLI) on triple physical paper and, therefore, more susceptible to filling errors;
- ❌ Presential delivery of physical documents, which lead to a great flow of taxpayers to the Tax Offices;
- Compliance with tax obligations had a substantial cost for taxpayers (350 Kz / DLI);

ACTUAL SITUATION (SIGT)

- ✅ Compliance with tax obligations can be done digitally or through an extensive network of partners that AGT has settled with Banks, Provincial Governments, Municipal Administrations, Institutes and Ministries;
- ✅ Generation of payment receipts can be carried out at any time in electronic format (end of the triple physical paper);
- New security mechanisms for documents that guarantee their authenticity and the information contained therein and consequently discourage tax fraud (eg. QR Code);

IMPACT OF THE INITIATIVE



04 \ Creation of a payment reference for electronic payments (RUPE).

The implementation of a single payment reference (RUPE) allowed AGT to join to the electronic payments network and reduce costs with bank intermediation commissions by more than 90%.

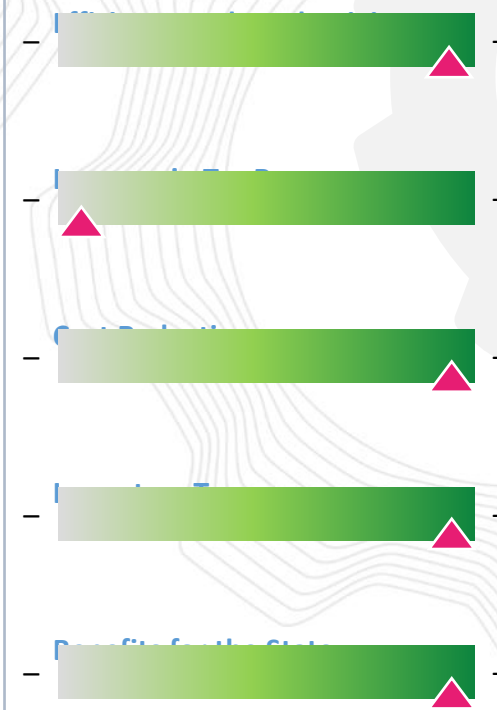
INITIAL SITUATION

- ❌ *Obligation to have a bank branch inside all tax services;*
- ❌ *Significant delays in transferring amounts from financial institutions to Angolan State accounts;*
- ❌ *Several difficulties in reconciling tax revenue;*

ACTUAL SITUATION (SIGT)

- ✅ *One single RUPE per Payment Document (DC);*
- ✅ *Real time integration with banking system (through EMIS);*
- ✅ *Daily transfer of all amounts collected to State accounts;*

IMPACT OF THE INITIATIVE



05 \ Development of new presential and virtual payment channels

Within the scope of the project, new payments channels (Internet Banking, Multicaixa, Bank Branches) were made available to taxpayers in order to facilitate compliance with tax obligations.

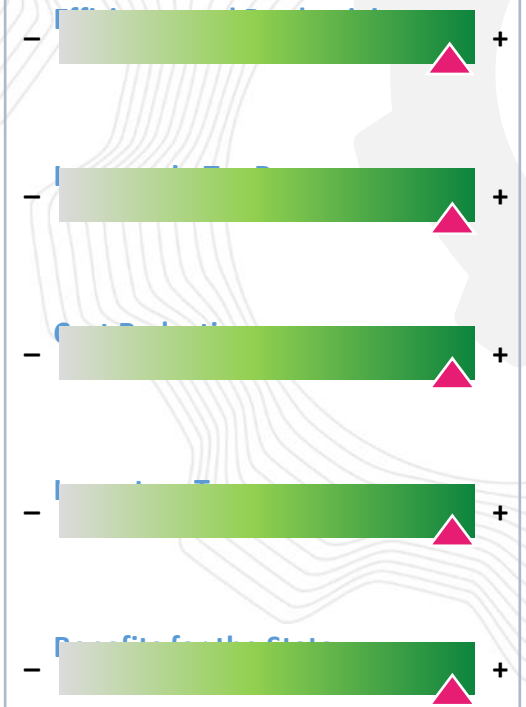
INITIAL SITUATION

- ❌ Payment of Tax obligations could only be performed at bank branches located inside Tax Offices where the DLI was registered;
- ❌ Long waiting periods for taxpayers to fulfill their obligations;
- ❌ Inability to confirm payments while syncing was pending.

ACTUAL SITUATION (SIGT)

- ✅ Taxpayers may fulfill their tax obligations through the payment channel they find most appropriate without having to go physically to a Tax Office :
 - Multicaixa (ATM);
 - Internet Banking.
 - Bank Branch
- ✅ Reduction of service times and less resources allocated to settlement/payment activities;
- ✅ Automatic confirmation of payment and generation of the paid DC in less than 2 minutes.

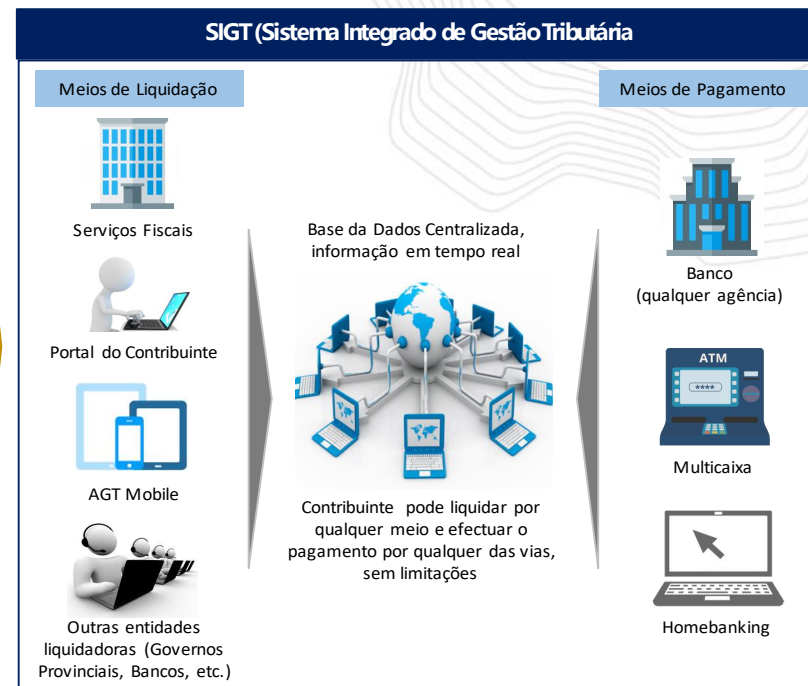
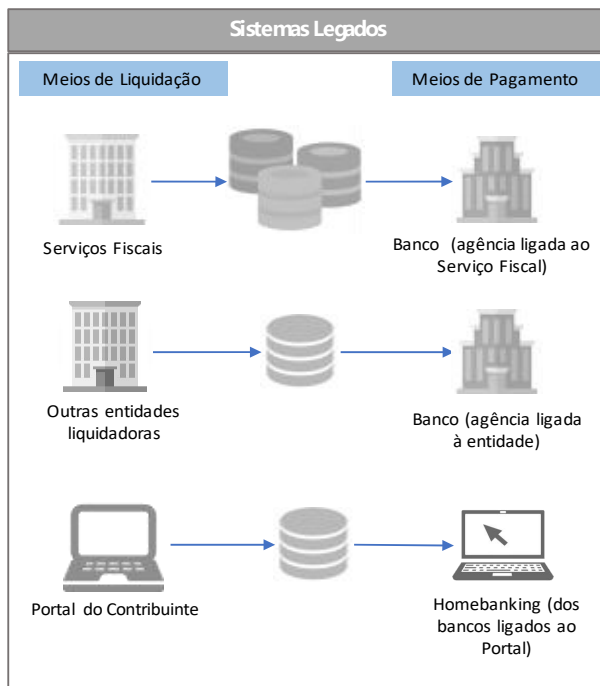
IMPACT OF THE INITIATIVE



05 \ Development of new presential and virtual payment channels

Currently taxpayers have the possibility to pay their obligations 24H00 per day, 7 days per week, 365 days per year from anywhere in the world.

Mudança de Paradigma/ Disrupção

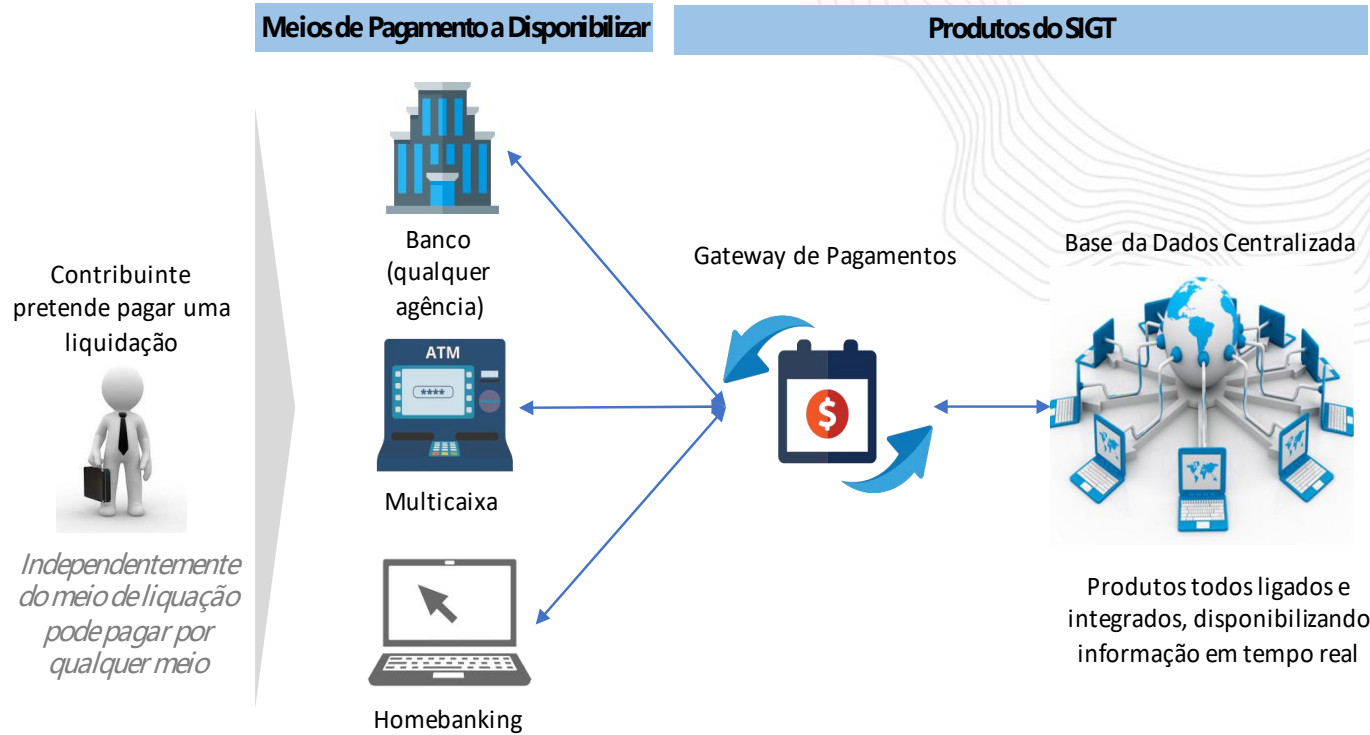


Main advantages:

- ✓ **Increased convenience for Taxpayers**
- ✓ **Agility and efficiency in payment registration and control**
- ✓ **Reduced flow of taxpayers in Tax Offices**
- ✓ **More AGT resources for higher added value activities (Eg.: Audit)**

06 \ Automation and centralization of payment reconciling processes.

The revenue distribution model implemented ensures the transfer of all amounts collected to the State accounts in 24H00.



Main Advantages:

- ✓ **Automatic reconciliation of all revenue collected**
- ✓ **Effective control over the process and sources of revenue collection**
- ✓ **Efficiency in providing liquidity hence strengthening the State Treasury**

08 \ New Taxpayer Portal and Mobile Application as a Virtual Tax Office

AGT Taxpayer Portal is currently the main source of non-oil tax collection, reflecting the digital strategy followed by the AGT.

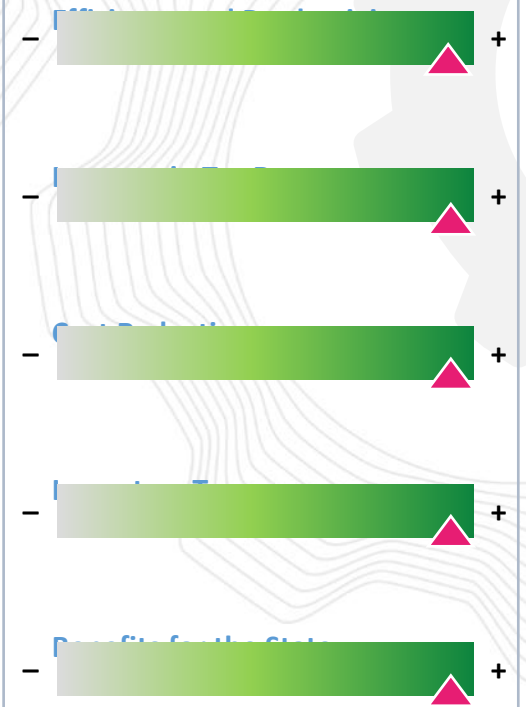
INITIAL SITUATION

- ❌ Low number of users and reduced relevance to revenue collection;
- ❌ Taxpayer Registration data on Portal different from the taxpayer registration data;
- ❌ Rules for completing settlement forms different from ones implemented in the AGT core system;
- ❌ Limited functionalities with little impact on the taxpayer's life.

ACTUAL SITUATION (SIGT)

- ✅ Taxpayer Portal and Mobile Application work in a completely integrated way with the AGT core system;
- Taxpayer Portal provides several services that were previously exclusively provided by tax offices (eg: Non-Debt Certificate, Electronic Declarations, Current Account);
- ✅ The number of users shows huge growth and is currently 8 times higher than the value registered in the beginning of 2018;
- Taxpayer Portal is the most relevant tax service regarding collection of non-oil revenue.

IMPACT OF THE INITIATIVE



Taxpayers can now fill and deliver Tax Declarations electronically through the Taxpayer Portal for an increasing number of taxes (II, IRT, IVA, IEC).

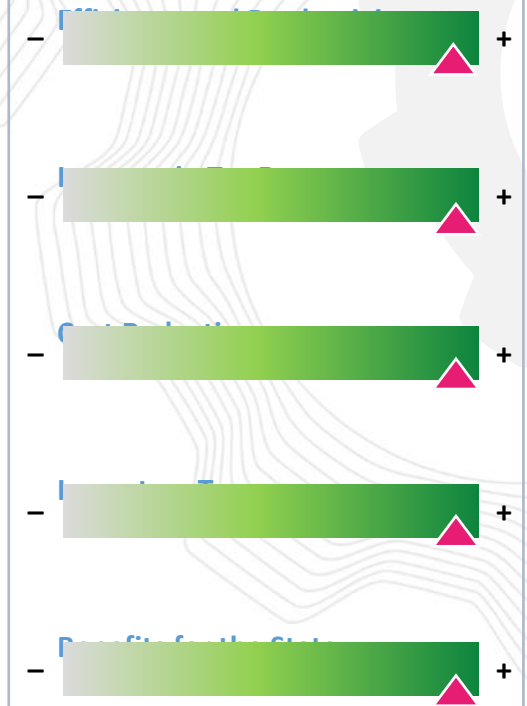
INITIAL SITUATION

- ❌ Tax declarations delivered in physical format and, therefore, more susceptible to filling errors;
- ❌ Declarations were delivered in person, which led to a large flow of taxpayers to the Tax Offices and waiting lines;
- Tax obligations compliance was a cost to taxpayers who had to purchase Declaration forms.

ACTUAL SITUATION (SIGT)

- ✅ Tax obligations compliance is done digitally (Portal) for the following taxes:
 - Value Added Tax (IVA);
 - Special Consumption Tax (IEC);
 - Industrial Tax (II);
 - Income Tax (IRT).
- ✅ Billing Documents (DCs) associated with the Declarations are generated automatically.

IMPACT OF THE INITIATIVE







AGT

ADMINISTRAÇÃO
GERAL
TRIBUTÁRIA