

INLAND REVENUE BOARD

TO BE WORLD CLASS

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IRB committed to collecting



Expect to see big crowds during peak hours at the Jalan Duta Collection Branch in Kuala Lumpur.

By JANICE KOU and LEOW YONG MAY

LEMBAGA Hasil Dalam Negeri (LHDN), or the Inland Revenue Board of Malaysia (IRB), was formerly known as Jabatan Hasil Dalam Negeri in 1947.

IRB has been in existence for over 60 years. Following IRB's motto of being 'friendly, helpful, (and) satisfying', the total of 5697 employees display those qualities, and more. 71% of its employees make up the IRB counter and support staff whereas 28% of the staff are executives who are degrees holders and above. The main purpose of the Inland Revenue Board of Malaysia is to enhance the nation's revenue, and ultimately become a world-class tax administrator.

One of the main revenue collecting agencies of the Ministry of Finance is the Inland Revenue Board of Malaysia.

The Department of Inland Revenue Malaysia became a board on March 1, 1996, and is now formally known as the Inland Revenue Board of Malaysia.

The Inland Revenue Board was established in accordance with the Inland Revenue Board of Malaysia Act 1995 to give it more independent capacity, especially when it comes to financial and personnel management; to improve the quality and effectiveness of tax administration. The agency is responsible for the overall administration of direct taxes under the following acts: Income Tax Act 1967, Petroleum (Income Tax) Act 1967, Real Property Gains Tax Act 1976, Promotion of Investment Act 1986, Stamp Act 1949 and Labuan Offshore Business Activity Tax Act 1990.

The IRB Vision

IRB's vision is to be recognised as the foremost tax administrator in the region and the best government agency in the country. IRB management is always sensitive to the welfare of its employees, and provides career advancement opportunities for them, recognising individual excellence and rewarding them accordingly.

Officers and staff members of IRB are committed towards achieving excellence in work and maintaining efficiency in service towards clients. This way, the public also sustains a high degree of confidence in the fairness of IRB's tax system.

A mission statement

The IRB is committed towards collecting taxes with fairness, efficiency and integrity, at a justifiable cost while providing excellent service to its clients.

IRB intends to continually achieve this mission by developing a skilled, efficient workforce and striving constantly to enhance the level of professionalism to face challenges from an ever-changing environment. Tax administration is also to be upgraded while simplifying tax laws at the same time.

According to its Chief Executive Officer/director-general Hasmah Abdullah, IRB's mission includes expansion of its services and is currently in the process of adding 40 more call centres.

This is planned so that there is more convenience on the taxpayers' part when it comes to processing their income taxes or enquiring at the counters.

Operational Objectives

To collect taxes without imposing excessive burden on the public while

incurring minimal cost to the government; to instil public trust in the fairness and excellence of the present tax system; and to encourage the public to pay their taxes voluntarily.

There are at least 500 taxpayers arriving at the Jalan Duta Collection Branch on normal days.

During peak periods that fall in March until June, the centre can expect up to 5000 to 6000 customers a day!

Looking at the number of customers who go to IRB intending to pay their taxes, it is not at all surprising for counter staff to encounter the occasional difficult customer.

If the need arises, supervisors themselves will personally step in to handle difficult customers. Most of the complaints received so far are regarding the counters' slow services.

However, customers need to understand that at times, dispatches bring in more than a hundred cheques that service staff have to process.

According to the company's key performance index, processing time for one cheque takes only four minutes. Hence, processing up to 40 cheques would definitely take more than two hours.

Due to the different amount of cheques each person brings in daily, dispatches and customers would need to key in the number of cheques they wish to process into a machine located at the branch.

The machine would then segregate the amount of customers and lead them to respective counters.

Counter Services

Efforts continue to be undertaken to improve counter services so as to be more customer-oriented and



Chief Executive Officer/Director-general of Inland Revenue Board Malaysia, Hasmah Abdullah.

business friendly. These include the provision of one-stop service counters to facilitate access to a variety of services as well as ensuring an adequate number of counters and manpower to provide efficient services.

Multi-service counters, emergency counters, special counters for the disabled, elderly and expectant mothers, extended service hours, electronic queue management systems and indication of expected serving time were also implemented while customer satisfaction feedback forms were utilised to further improve customer services based on customer commentary.

Other efforts to upgrade counter services were strengthened through programmes that trained staff on courteous customer service. Training programmes were then implemented to equip the customer service officers with the necessary awareness and skills related to customer services and human relations.

Call Centre

The call centre at IRB has been around since the year 2000, and it continues to strive in increasing the centre's capability in providing the best customer service.

Last year, there were a total of 131,225 calls, 26,755 electronic mails and 1,028 faxes and letters received through the call-centres!

Customer service

Stationed at the one-stop centre (Service Counter) where customers go to for help is Philip Chung. Mainly in charge of collection, he is also at hand to handle tax assessment problem enquiries, calculation appeals

and etc. An average of 300 to 400 customers would approach the customer service desks on any other day.

According to Chung, the peak periods are usually from March to June, where daily estimates of 1,000 customers arrive at IRB counters! Many assessment officers are stationed at the IRB quarters so as to personally advise customers with their tax payment issues. In the mean time, ongoing plans are to provide more online services. IRB is interested to add more services that are high on efficiency, such as the e-Filing services.

Angela Lim Li Giok, a business entrepreneur, is one taxpayer who has been paying her income taxes at the IRB counters at the Jalan Duta branch in Kuala Lumpur.

She says, "Yes, I am aware of e-Filing but I think it needs more campaigns to enhance its awareness because not everyone knows how to use it."

She reasons that the staff at IRB are friendly and efficient at what they do, hence her loyal patronage at the IRB counters.

Though satisfied with the customer service from staff, the one thing that bothers the crowds at IRB is the lack of parking space.

"Looking for a parking space can be a problem because they are scarce.

"Sometimes I even have to deal with parking summonses because there aren't many proper parking spaces," Angela added.

Easy does it, with IRB e-Filing
The Inland Revenue Board of Malaysia's e-Filing services allow

TAX ADMINISTRATORS

taxes with fairness, efficiency and integrity



Philip Chung, who is in charge of collections, attends to a customer with enquiries at the Customer Service Counter.

you to submit your Tax Return Forms electronically via the Internet. This service is FREE.

All Tax Return Forms submitted through the e-Filing application are protected by PKI (Public Key Infrastructure) Technology. File your Tax Return Forms online at any time, anywhere.

This application will assist in filling up forms, compute and then submit the Tax Returns Forms electronically. Tax repayment will be processed earlier for you, provided that your Tax Returns are submitted electronically!

Easy, accurate and extremely safe, first time users need to get a PIN number to register their Digital Certificate.

Log in to e-Borang, select the correct form and complete it accurately. Thereafter, sign the form digitally and submit. Upon completion of your e-Form submission, an acknowledgement will be displayed to confirm receipt.

Rest assured that further enquiries pertaining to e-Filing will be entertained at 1300 88 3010.

Encik Abu Samah is a first-time user of the e-Filing system and finds it very useful. He personally thinks it is very efficient, as it doesn't require any paper work, thus saving him time as well.

Abu Samah says, "There are however, people like me who know little about using computers, and may encounter problems with e-Filing."

It is compulsory for one to have access to the Internet to submit payments online.

Submitting payments through e-Filing usually takes five minutes, and would naturally take a longer time

for those who are initially unfamiliar with the process of online payments.

"The system will be affected if the Internet server is slow, but I will continue using e-Filing in the future because of its convenience!" added Abu Samah.

e-Payment

E-Payment works hand in hand with the e-Filing system. Internet banking process is made easier with e-Payment via Public Bank, CIMB (for PCP accounts only) and Hong Leong Bank.

These are partnering banks that are committed to e-Banking with e-Payment Bank Islam.

E-Services, initiated by Public Bank and CIMB, encourage taxpayers to make use of its many online services like Bizchannel, CIMBclick.com.my and Public Bank for e-Payment, income taxes, land assessment taxes and etc.

● Land assessment taxes are applicable only at CIMBclick.com.my.

New e-Government initiatives

E-Stamping services are currently being actively looked into for taxpayers to utilise. E-STPH on the other hand, is a new service that legal professionals can utilise to transfer their asset documents.

Because e-Filing is faster, lawyers can e-File their documents and send them to the Valuation and Property Services Department.

The only manual operation that remains is payment submission at IRB counters. In the near future, IRB will be declaring that all the payments and services be computerised!

Proposed solutions for current issues

An estimated 60-70% of taxpayers procrastinate and delay in their submissions especially during the last three weeks.

Hasmah advises those who submit their forms manually to quickly do so, as it takes three months for staff to file for taxpayers! Submitted

forms at counters are scanned and processed, hence taking up more time than e-Filing.

Community projects

Apart from delving in-depth into tax assessments for individuals, corporate sector and etc, the Inland Revenue Board of Malaysia also makes it a point to engage in community projects and related activities.

Hasmah and selected staff members visited Batu Pahat, Johor on Feb 9 earlier this year and generously donated RM35,000 to the District Officer in order to help out flood victims.

It is worth noting that IRB staff actually came out with hard-earned income for the purpose of being charitable.

In addition to that, a donation of 120 boxes of good-conditioned clothes and daily necessities like soap, toothpaste, toothbrushes and etc were handed out to flood victims.

Hasmah believes strongly in a sense of CSR (Corporate Social Responsibility).

IRB staff are supported in their decisions to make donations to the charitable organisations/projects from time to time. She goes on to add that 30 IRB staff happened to be impacted by the floods at the time too.

IRB has started its nationwide roadshows in conjunction with the taxpayers' month – Bulan Perkhidmatan Pembayar Cukai 2007 – on March 1. For further details, please log on to IRB's official site: www.hasil.org.my.

LIST OF SERVICES BY IRB

Services	Access	Channels
Submission of forms	Manual application and digital form via e-filing,	<ul style="list-style-type: none"> Forms are available at www.hasil.org.my E-filing: forms to be filled and submitted online after insertion of digital signature Submitted forms will be approved by IRB
Tax Payment	Payment can be made through: <ol style="list-style-type: none"> IRB counters Partnering banks E-payment Financial Process Exchange (FPX) Credit card 	<ol style="list-style-type: none"> IRB counters are available in West Malaysia, Sabah and Sarawak Partnering banks are CIMB Bank Bhd and Public Bank Bhd (PBB) PCB payment can be made through internet banking Individual and corporate tax payment can be made through PBB's internet banking Only individual tax payment can be made through CIMB's internet banking Tax payment via IRB's website made available for PBB, CIMB, Islamic Bank and Hong Leong Bank account holders
Tax Refund	Tax refunds will be processed by IRB in 3 months after taxpayers have completed and filed all relevant documents	<ul style="list-style-type: none"> Tax refunds not exceeding RM500,000 are paid by IRB in the form of cheques Tax refunds of RM500,000 and above are issued by the Accountant General's Department in the form of cheques
Call Centre	To provide efficient customer service to tax payers	<ul style="list-style-type: none"> Taxpayers can pose enquiries via: <ol style="list-style-type: none"> phone: 1300 88 3010 email: callcentre@hasil.org.my IRB will provide relevant advise and will help clarify taxpayers' enquiries Customer service is also available at all IRB counters