

EXECUTIVE SUMMARY

Appeal process at Inland Revenue is in critical juncture since numerous improvements need to resolve several issues that damaging the revenue generating prospective. Prevailing information sources revealed that Inland Revenue, the important tax collecting organization in Sri Lanka, is receiving huge quantity of appeals yearly against the assessments made by RAMIS because of growing tax return disputes. This causes to increase dispute tax stock and due to time bar provision application, more of debt might obsolete, as a result, government revenue declines drastically. This project is to propose solution for them based on primary and secondary data though limited in time, funds and resources as challenges.

Even though it has many potentials, IRD is imprisoned in a tremendous trouble. Among them, defining of appeal, appeal allocation method and number of appeals allocated, knowledge base for making determination and accessibility of relevant knowledge were soluble incidents. In brief, system, process and awareness of appeal settling methods are insufficient. Pressurized by the time, funds, and other restriction, problems are based on secondary data. However, conducting formal interview within a sample, being asking same few questions, author went through the primary data for making cause and effect diagram. Data collected over the different level and people such as tax agent, lower level employee, middle and top level managers as subjects, but relevant to appeal sector.

This report offered structure with literatures, in relation to Corporate Appeal and Objection Unit at IRD, with exploration the problems of its appeal process. The study mostly has used secondary sources while finding and analyzing issues. As an answer, this project expects to propose new framework. The primary objective of the project is keenly defining the appeal as per the act for affordable to absorb by time bar provision and facilitate to quick solution under the law by introducing automated information gathering and reaching system. Further, it used international literatures for finding relevant occurrence for the problems with various professionals. Then, created framework and models for process automation and management of knowledge base.

This project presented scoped objectives and three components and it proposed several solutions for issues, after analyzing current issues with details of them. Firstly, Process Improvement through allocates only appeals defined as Act to CAOU without Queries that applying checklist-ticking method. Further, all types of tax appeals of same TIN allocate to same officer and display accurate fruitful information on UI. Next, database creates through automated data mining mechanism that lead to related solution for a key issue to save 75% of time of officers. Lastly, create awareness by video clips as e-learning materials linked to IRD sites and in-house training session for tax officials as well. Thereafter, this presented prepared tables of resource allocation with roles of responsible officers. Then, benefit-cost analysis, included 45 times gain than the cost and expected budget, outputs, and outcomes of each aspect were provided in this report.

At last, discussion of problems connected with internationally accepted concepts and theories with recommendations provided to implement this after having approval for this, immediately. In briefing, it discussed solutions framework in relation with expert opinions and recommendations, which project team should consider time-to-time, linking with project risk plan. Resource persons, funding restriction, bidding protocol, communicate with software developers and, e-learning materials producers, would be major matters that should consider during the implementation period. Most important factor would be the pilot project that should follow up by the team keenly, since hart of the project cater on automation.