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AZERBAIJAN COMPETITIVENESS AND TRADE (ACT) PROJECT

Ministry of Taxes: Evaluation of Taxpayer
Services

May 21, 2012

Prepared for the United States Agency for International Development, USAID
Contract Number AID-EEM-I-00-07-00003-00, Task Order # AID-112-TO-10-00002

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Azerbaijan Competitiveness and Trade (ACT) Project

Ministry of Taxes: Evaluation of Taxpayer Services

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DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of the U.S. Agency for International Development or the United States Government.

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1. INTRODUCTION

The Ministry of Taxes (MoT) through First Deputy Minister Natig Amirov has requested the assistance of the Azerbaijan Competitiveness and Trade (ACT) Project to evaluate and offer recommendations on tax payer services currently provided by the Ministry.

2. BACKGROUND

The MoT has been working with the concept of taxpayer services for several years. Already in 2003 the MoT developed with assistance from the United States Treasury and adopted “The Conception of Taxpayer Services”. It defined the main objectives of the taxpayer services:

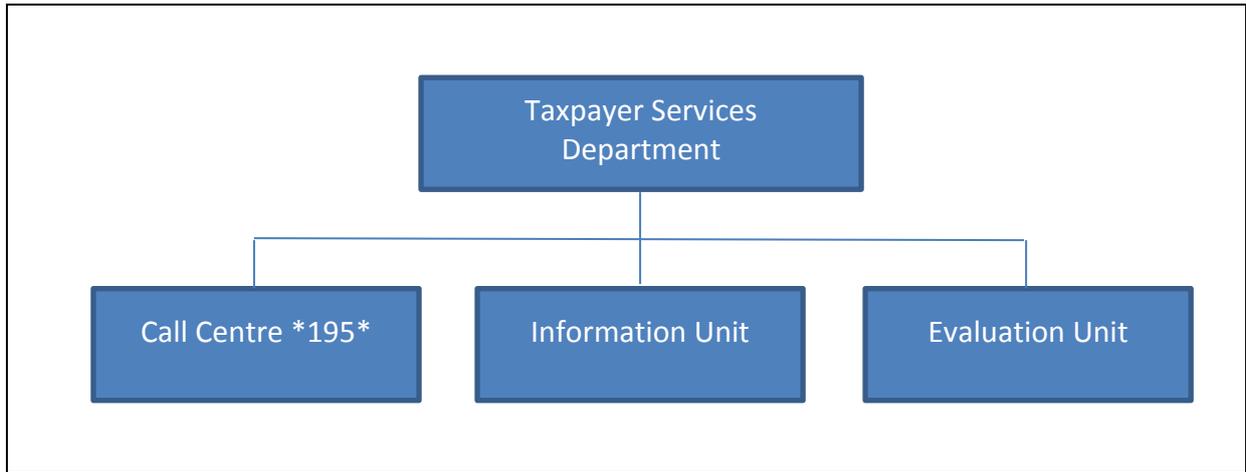
- to raise taxpayer awareness;
- to perform activities aiming at educating the taxpayers;
- to use tax propaganda, appeals and advertisement;
- to prepare information material on taxes and
- to provide taxpayers with declarations, acts and other documents of an informative nature.

Taxpayer services have constantly had the attention of the MoT and are dealt with both in the Presidential Decree “State program on improvement of tax administration in the Republic of Azerbaijan” from September 2005 and the MoT’s own “Strategic Plan on improvement of tax legislation and administration for 2009-2015” from 2008.

Currently the MoT is working in line with its “Conception of Improvement of Services Rendered to Taxpayers by Tax Authorities (2011-2015)” and the connected action plan on development of taxpayer services’ sphere. The mentioned longer term strategies are supported and implemented by annual work plans and monthly action plans that are all followed up on and reviewed by a unit in the Taxpayer Services Department that evaluates the activities and performance of the Department and produces quarterly progress reports based on information collected via the automated management information system that is an integrated part of the AVIS system (Automated Tax Information System).

2.1. Organization

The Taxpayer Services Department is organized as follows:



2.2. Activities

The Taxpayer Services Department's main responsibility is to service the taxpayers. An optimal starting point for evaluating these services would be the number of taxpayer in the country. Unfortunately, detailed information is neither publicly available nor was made accessible to the consultant.

The following characteristics of the taxpayer population in Azerbaijan were in 2011¹ have been made available

Type of taxpayer	Number	Tax collected (mln manats)
VAT taxpayer	18,073	1,388.4
Simplified taxpayers	-	100.4
Profit tax of legal entities	-	2,134.0
Profit tax of natural persons	-	-

The activities of the Department are carried out in three organizational units.

2.2.1. Call Center *195*

The Call Center is certified under EN 15838² and services the whole territory of Azerbaijan. It is free of charge to make calls to it from landlines. In 2011 the Call Center received around 122,000 calls or an average of 8,000 to 9,000 calls per month with January and July peaking with around 17,000 calls. January is always a busy month as taxpayers close the books for the previous year while the large number of calls in July was a surprise caused by a change in the e-filing system. In addition to received calls, the Call Center also made 126,000 automated calls and sent 224,000 text messages to taxpayers to inform them of

¹ If the information is made available this paper may be updated accordingly.

² EN 15838 is a European standard on quality requirements for customer contact centers. The standard has been adopted by 30 EU and EFTA countries, as well as national call/contact center associations in four other countries. For more information on the certification requirements please refer to <http://en15838.org/>.

new tax compliance requirements or to remind them of deadlines for meeting current compliance requirements.

The Call Center answers more than 90% of received calls within 10 seconds of the calls being made and more than 99% of all questions are answered on that first contact while in only around 1,000 instances the Call Center had to investigate the issue and later call back with the answer.

2.2.2. Information Unit

The Information Unit produces the information material made available to taxpayers. It is also responsible for answering the 50-60 weekly questions asked via the Q&A section of the web-page www.taxes.gov.az. In addition the unit produces general tax awareness campaigns and participates in fairs and other public arrangements such as the numerous tax billboards being displayed.

Recognizing that it is necessary to improve taxpayer compliance, the MoT Information Unit has entered into arrangements with more than 50 schools where the MoT can get in contact with the children and young people in order to influence the next generations to accept the concept of taxation, which was not relevant during the Soviet time when taxes were only collected from large (state-owned) companies.

The MoT is very much favoring the direct contact to taxpayers with information targeted and adjusted to the needs of the individual taxpayer or group of taxpayers instead of using general information, and to that end they use extensively the e-mail function that is a part of each taxpayer's individual account on the MoT's web portal. The campaigns and activities are decided by the management.

2.2.3. Evaluation Unit

The Evaluation Unit oversees the production of the taxpayer services activities of the MoT including assessing the quality of the services provided. To that effect surveys are carried out both by the MoT and by external agencies.

It is the intention and policies of the MoT to encourage and facilitate e-filing in order to reduce direct contact between tax officials and taxpayers down to a minimum and in that way reduce the risk of collusion and corruption. With regard to the VAT returns the objective has been achieved. All VAT returns are filed electronically as _____. But even for the simplified taxes, use of electronic filing is high. More than 80% in lesser urbanized areas and well over 95% and even up to 100% in other areas file their simplified returns electronically.

The MoT is ready to pilot a project with electronic payments. The banking sector has unfortunately not been able to agree on a joint system for electronic payments with the result that currently five clearing houses are in operation. The MoT has therefore teamed up with the Central Bank, which has developed a system that is used to collect utility payments.

2.2.4. Field Structure

The field structure consists of 12 territorial tax departments and the Baku City Tax Department, which has a special status (reports directly to the Minister of Taxes). The regional and Baku City tax departments are, organizationally, copies of the MoT. Each department has a number of taxpayer service centers. The current number of centers is 30. This is in the process of being increased to 50 where taxpayers can come and get information and assistance in filling in tax returns and file them via the e-system.

The taxpayer service centers were until recently called taxpayer service terminals and were a joint venture between the MoT and the Confederation of Entrepreneurs (Employers). The arrangement was that the MoT would provide the infrastructure (buildings, computer terminals and internet access) and the Confederation would provide staff that assisted taxpayers in using the e-services.

Following a survey conducted last autumn between taxpayers regarding the taxpayer services it was decided to reorganize the taxpayer service terminals to become taxpayer service centers staffed with MoT officers. The background for the change is that taxpayers expressed a desire to have access to tax officers that are better trained to answer questions and have access to the confidential taxpayer information³ held by the MoT. Further, the Confederation reorganized its activities and organization closing the regional structure and only leaving open an office in Baku, which meant it became impossible for the Confederation to oversee its staff in the local taxpayer service terminals.

Marking the change the former terminals are now named Taxpayer Service Centers but are still partly manned with Confederation staff.

2.3. E-services

In addition to the targeted information delivered to taxpayers through the MoT's web service, the e-services currently include the following elements:

1. Registration of taxpayers
2. Registration of legal entities both as legal entities and in respect of tax obligations (one-shop concept)
3. Electronic filing of tax returns
4. VAT deposit account
5. Electronic VAT invoices
6. Electronic exchange of information
7. Electronically managed internal document flow
8. Management information system

³ Non-MoT staff cannot and should not be authorized to access taxpayer information.

In addition, the MoT is preparing to pilot an electronic payment system and has included in its Conception for 2011-15 to:

- simplify and universalize tax returns;
- promote taxpayers' electronic submission of other documents relating to tax compliance; and
- further automatize the processes relating to acceptance and processing of tax declarations.

The Action Plan for 2011-15 on development of taxpayer services is included as Annex 1.

3. EVALUATION OF CURRENT ACTIVITIES

The overall assessment is that the taxpayer services offered and provided by the MoT to the taxpayers are good. The MoT focuses on several core areas:

- There is extensive use of e-services that facilitates the strategies of easing the compliance costs of taxpayers and reducing direct contact.
- The MoT has a well-functioning Call Center that answers the vast majority of calls within seconds of the calls being made and answers almost all questions within minutes.
- The information produced is directed towards the target groups:
 - There is extensive use of technology (automated calls, text messages to mobile telephones, and the web site and the AVIS system providing general information, question and answer function and mailing function) to inform individual taxpayers of their obligations and compliance requirements.
 - General tax awareness of tax is promoted through advertising campaigns and billboards.
 - The coming generations are educated to tax awareness through a cooperation with schools and other education institutions
- The MoT has clearly defined extensive performance criteria and measures on an ongoing basis the performance of the units and the staff to those criteria.

4. AREAS OF CONCERN

4.1. Reorganization of taxpayer service centers

The purpose and objectives pursued are commended but the MoT should not underestimate the challenges faced. The taxpayer population is mainly based in Baku, which for instance is indicated by more than 80% of calls to the Call Center coming from the Baku area, and the bulk of its staff should therefore focus its activities on Baku. Obviously the MoT must also deliver taxpayer services outside Baku where the need for local service

centers is likely more evident due to weaker infrastructure (mainly roads and broadband internet) than in the capital area.

While carrying out the restructuring, the MoT must therefore address a number of issues.

4.1.1. Location of taxpayer service centers

The locations of the service centers are important. When increasing the number of centers from around 30 to 50, thorough analysis must be made as to the taxpayer population in the area as there must be a sufficient number of taxpayers to justify a physical full or part time presence of taxpayer services staff. In this respect due consideration should be taken to the experiences gathered in respect of the amount of assistance the different types of taxpayers require. Experiences indicate that VAT taxpayers and employers require more assistance than for instance small taxpayers (simplified taxpayers), but there may be regional differences that should be addressed.

As an initial matter, it is difficult to ascertain whether such additional service centers are needed absent information as to how many actual and potential taxpayers there are. Nonetheless, anecdotal evidence indicates that the vast majority of taxpayers in the regions are simplified taxpayers. Obviously the MoT must service this taxpayer population but serious consideration should be given to fundamental policy changes exempting the smallest taxpayers – micro businesses – which for instance could be those annually turning over less than 15,000 or 20,000 manats or applying a symbolic patent. Introducing a patent system should not be done for revenue collection purposes as the cost of collecting a symbolic patent fee is likely to exceed the revenue but in order to keep the concerned businesses in contact with the tax authorities. At the same time, the policy change should also include a redesigned turnover based simplified tax regime for small businesses that would decrease the difference between the simplified taxation and the ordinary tax regime (thereby bringing more taxpayers into the latter) and a lowering of the threshold for VAT registration bringing more businesses into the normal taxation regime.

If such policy changes were to be introduced it would likely increase the number of the smallest taxpayers (as tax patent systems tend to do) and also the number of VAT taxpayers thus also increasing the number of taxpayers requiring additional assistance. Increasing the number of taxpayer service centers could facilitate the implementation of such reforms, should they be enacted.

4.1.2. Activities performed in the taxpayer service centers

It should further be carefully considered which activities should be assigned to the taxpayer service centers. The position of the MoT is commended that taxpayer service centers be able to deal with all activities carried out by the taxpayer service units in the regional tax departments including taxpayer registration, registration of legal entities, information about requirements to taxpayer compliance and assistance to taxpayers in using the e-services.

It should, however, also be considered if other tasks could be carried out in such centers. It is understood that unpaid tax debts remain a major problem⁴ and that the MoT more recently reorganized its activities in the enforced collection area. Experiences indicate that it frequently is difficult to get in dialog with tax debtors through the traditional channels (letters, email, telephone). Efficient collection of tax debts therefore occasionally requires field operations or that tax debtors are more formally summoned for the procedure or to enter into time to pay arrangements (paying in installments).

Assisting taxpayers in not getting deeper into debt to the budget can also be seen as a type of taxpayer service. Taxpayer services in the traditional meaning is meant to assist taxpayers in meeting their compliance requirements on a voluntary basis and provide better collection with less hassle both for the taxpayers and for the tax administration. The same applies to debt collection – it is best to avoid taxpayers getting into a situation where they cannot meet their tax obligations as they fall due but the next best is to prevent the debt from increasing to unmanageable levels, and that is done by reacting very fast when a payment is not made on the due date.

There seems therefore to be good arguments for such activities relating to enforced collection being performed from the taxpayer service centers, as it would be easier to visit local debtors and it would be easier for local debtors to meet with the tax debt collection staff there.

This would further facilitate a more efficient application of scarce resources but as a part of this it would also be necessary to identify the training needs and perform such training as an integrated element of the reorganization.

4.1.3. Staffing

With respect to staffing it is evident that the current staffing of the taxpayer service units of the regional tax departments would not suffice in terms of manning the local taxpayer service centers considering there will still be delivery of taxpayer services from the departments. The success of the MoT in achieving high levels of electronic filing of returns should, however, everything else being equal, have caused excess staffing of the units that used to deal with the handling of paper returns. Such staff will already have some knowledge of the tax systems and it seems likely that it would not require too much training to qualify them to deliver taxpayer services.

4.2. E-services

The MoT is providing excellent e-services to the taxpayers including making computer terminals available in the taxpayer service centers to taxpayers who do not have access

⁴ There are also still very big amounts of debts relating to Soviet era companies. Those companies will never reopen and it is unclear why such debts still exist on the books of the MoT. The MoT has however a system in place so it can categorize such debts as uncollectable and in this way can focus its activities and resources on collectable tax debts. Also collectable tax debts are, however, a serious concern with such debts being as much as 20-25% of the annual collection objectives.

otherwise to the internet and the e-filing facility, which is a core application in terms of reducing the possibility for corruption.

It is further commended that electronic payments have already been planned and are expected to be implemented shortly as payments do potentially take a lot of taxpayers' time to do.

It was noted that the application for e-filing of VAT returns does not seem to create the basic taxpayer information in the screen form when the tax ID number is entered. Instead the taxpayer is requested to enter name, address, telephone number(s) and marking for first return for a tax period or a return amending a previous return. As taxpayers of course have to log on with their personal usernames and PIN codes it should not be difficult to extend the service to include such functionality that would significantly reduce the risk of errors and mistakes being made, make the filing faster and more convenient for the taxpayer, and reduce the resources needed in the e-filing departments to deal with faulty returns.

4.3. Forms and other means of collecting information from taxpayers

The Taxpayer Services Department should review all forms and reports currently being used by the MoT with the purpose of assessing the necessity of the information collected.

As an example can be mentioned the VAT return that contains information that it is not strictly necessary for administering VAT. Currently substantial resources are spent on vetting returns and correcting mistakes and that could be reduced by being very critical when assessing the necessity of information collected.

The Taxpayer Service Departments should further take the lead in a work that would lead to ensure that all tax returns and pay slips delivered to taxpayers are preprinted with, as a minimum, tax identification number, name and address, and tax type and period. The MoT has a sophisticated IT system so it should be possible to achieve this. This will release resources that could be better used for other purposes than correcting avoidable mistakes.

4.4. Information

There are many good reasons for commending the MoT on the information efforts it makes to the registered taxpayers but there seems to be a general issue in terms of reaching those who are operating in the informal sector⁵.

The following information is readily available:

Workforce ⁶	4.329 million
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⁵ It is reckoned in a World Bank working paper published on http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187511&entityID=000158349_20101014160704&cid=3001_DECwps_Conflict_and_Development that Azerbaijan's informal economy at least until recently was the fourth biggest in the World seen in proportion to GDP. It is understood that the Azerbaijani authorities do not agree with this assessment but it seems generally accepted that there is an informal economy of a considerable size.

Employed in agriculture, forestry and fishing ⁷	1.655 million
Employees in formal sector ⁸	1.463 million
Self-employed ⁹	<u>0.155 million</u>
Unaccounted for/unknown	<u>1.056 million</u>

The information and campaigning efforts of the MoT could be considered disappointing given that more than 1 million people could be working in the informal sector. This would not be a fair assessment. The MoT should be commended in terms of its efforts to educate the new generation through the Tax Friends program, but obviously it is not enough to secure a broader tax base by getting more taxpayers into the tax net. It seems that the MoT Taxpayer Service Department should continue its information and campaign efforts both in isolation and in connection with enforcement initiatives such as “sweeping” exercises where the streets are “swept” for taxpayers by basically going from business door to business door to establish if the businesses are known to the tax authorities or not and if they are employing staff.

However, as long as the lowest total tax burden on even the first manat earned in employment is taxed by 39% - 14% personal income tax + 22+3% social contribution paid by employer and employee respectively – it will remain very difficult to get more taxpayers into the formal sector regardless of the amount of information campaigns the MoT may initiate.

The Entrepreneurship Development Foundation (EDF) during the summer of 2011 conducted an opinion poll¹⁰ amongst 700 small businesses¹¹ in Azerbaijan. The 700 respondents were amongst other questions asked what they consider should be changed in the tax policy and 272 stated that rates should be reduced and 192 that the number of taxes should be reduced.

⁶ State Statistical Committee, http://www.azstat.org/statinfo/labour/en/002_1.shtml - “Distribution of employed population by economic activity”

⁷ Ibid.

⁸ Page 14 in ‘Implementation Completion and Results Report (IDA-39230) on a Credit in the Amount of SDR .8 Million (US\$ 10 Million equivalent) to the Azerbaijan Republic for a Pension and Social Assistance Project’, World Bank, November 15, 2011.

⁹ Mainly simplified taxpayers.

¹⁰ Entrepreneurship Development Foundation, Center for Support to Development of Small and Medium Business: ‘The results of a face-to-face poll conducted among 700 (seven hundred) small businesses in the Azerbaijan Republic’. The 700 respondents were distributed across Azerbaijan as follows: 280 from the Baku area; and 45 from Absheron; 100 from Ganja-Gazax; 45 from Sheki-Zagatala; 45 from Lankaran; 35 from Guba-Khachmaz; 120 from Aran; 10 from Yuxari Garabag; and 20 from the Daglig Shirvan regions. The publication is published on the EDF’s website: http://edf.az/ts_general/download/Preliminary_analysis_09_09_11_e.pdf (English language) and http://edf.az/ts_general/azl/tebdir/td-48.htm (Azeri language)

¹¹ ‘Small business’ was defined in accordance with the resolution adopted by the Council of Ministers on 18 December 1992:

- Industry and construction: Less than 50 staff and 500,000 manat turnover
- Agrarian sector: Less than 25 staff and 250,000 manat turnover
- Wholesale: Less than 15 staff and 1 million manat turnover
- Retail, transport etc.: Less than 10 staff and 250,000 manat turnover

It seems that more fundamental reforms are necessary, and the experiences of Georgia confirm that. The key measures taken in Georgia in reforming the tax policy were:

- reducing the number of taxes from 21 to 6 and leaving them all at a flat rate;
- reducing the corporate income tax rate from 20% to 15%;
- reducing the VAT rate from 20% to 18%; and
- merging the income tax and social contributions to a single tax and reducing the total level of taxation from 27% to 25% in 2008 and further reduce the tax rate to 20% in 2009.

The results of the reforms were that the potential tax revenue as a percentage of GDP went down from 40-45% before the reforms to 28-30% after the reforms. Actual collection, however, was only 15.6% of GDP before the reforms and it went up to 23-24% after the reforms. Even with the significant rate reductions revenue collection increased in other words significantly and that seems a more viable road than putting even more efforts and resources into taxpayer services, information campaigns and enforcement actions.

4.4.1. Legal tax manual

Many modern tax administrations maintain a legal manual where they describe primary and secondary tax law including:

- decrees and regulations,
- description of the legal situation both regarding the tax laws in the legislation that applies to the administrative processes and legal procedures;
- interpretations and guidance issued by the administration in connection with its general contacts with taxpayers and support of operational units of the administration, and
- decisions from appeal commission and courts.

It is accepted that it is a big task to compile the document the first time but considering it is less resource consuming to keep it updated and maintained with new legislation and decisions it is a good investment because such documents are invaluable in terms of:

- ensuring uniform application of the tax law across all units of the administration;
- providing support to officers operating in the field;
- having fully updated materials that can form the basis for training including production of training materials; and
- providing high quality reliable information on tax law to taxpayers and their advisors.

The legal manual should be made in cooperation between the Taxpayer Service, the Legal Departments and the Training Center and made available as a download from the website of the MoT.

4.5. Taxpayer services and audit/control

When assessing the quality of the taxpayer services it does not suffice only to look at the services provided by the taxpayer service unit – i.e. taxpayer service in a narrow meaning – as the reputation and perception of the MoT in the general public also depends on other issues – i.e. taxpayer services understood in a broader sense.

When the respondents in the poll mentioned above and conducted by the Entrepreneurship Development Foundation were asked in which spheres it is necessary to make improvements in order to speed up the development of private business in Azerbaijan they replied as follows:

	Very important	Important	Not important
To protect private business from groundless checks	402	243	55
To improve the crediting of private business	349	230	121
To increase anti-monopoly control	291	186	223
To reduce the number of tax types	463	163	74
To facilitate customs procedures	327	217	156
To reduce social payments	309	220	171
Simplification of procedures for registration of property	231	240	229
Simplification of procedures for obtaining building permits	231	213	256
Simplification of procedures for obtaining licenses and various permits	316	180	204
Increasing of independency of courts	449	142	109

As can be seen “protecting businesses from groundless checks” is very high with 645 respondents out of 700 stating that as ‘very important’ or ‘important’. Reducing number of tax types also scores very high with 626 respondents out of 700 assessing this as ‘very important’ or ‘important’.

The background for the responses regarding the groundless checks seems to be the following information also from the opinion poll where the respondents were asked to indicate the number and frequency of audits¹² to which they are subjected and by whom:

Body	Weekly	Monthly	Bi-annual	Annual	None
1. Tax Ministry	10	212	183	229	66
2. Ministry of Economic Development	0	12	136	209	343
3. Ministry of Emergencies	3	67	202	179	249
4. State Committee for Standards	2	9	38	66	585

¹² ‘Audit’ is not defined in the material but it is assumed that any contact by an authority is categorized as an audit.

5. Police	79	213	39	17	352
6. Ministry of National Security	1	1	8	32	658
7. Ministry of Ecology and Natural Resources	1	8	25	90	576
8. Local Government	2	17	34	93	554
9. Sanitary bodies	11	114	47	131	397
10. Others	1	7	1	0	0

The MoT's audits can be detailed as follows:

Frequency of audit	Number of respondents	Number of audits per respondent	Total number of audits
Weekly audits	10	52	520
Monthly audits	212	12	2,544
Bi-annual audits	183	2	366
Annual audits	229	1	229
No audits	66	0	0
Total	700	-	3,659

These 700 small businesses were in other words within a 1 year period subjected to more than 16,000 audits of which 3,659 were conducted by the MoT. Close to one third of the businesses were given weekly or monthly audits by the MoT.

The opinion poll does not reveal the background or the extent of these 'audit' activities of the MoT but it seems that the activities by the respondents are seen as excessive. Further analysis may be required but obviously the MoT Taxpayer Service should not offer more services than are needed and demanded by the taxpayers.

As also the contacts with taxpayers by tax inspectors is a part of the taxpayer services offered by the MoT the Ministry should review and adjust its audit and control activities in accordance with best international practices. It is recommended this be done with the assistance of an expert that can assist the MoT in implementing proper risk assessment based selection of taxpayers for controls.

5. CONCLUSION

Going forward the MoT should

- continue to provide taxpayer services at the current high level and develop it in accordance with the Action Plan for 2011-2015;
- carefully review if there really is a need for increasing the number of taxpayer service centers from the current level of around 30;
- consider the additional activities such as enforced collection of debts that could be based in the taxpayer service centers and the staffing implications as such service centers going forward should be staffed with MoT staff only;

- review if there are cases and instances where Taxpayer Services and other departments of the MoT are too eager to address taxpayers and thereby inadvertently provide too much support so the services by the intended recipients are not any longer seen as a support;
- closely follow the development of the tax debts and take actions that may reduce such debts both in terms of getting regulations in place that could more efficiently relieve the MoT from the burden of keeping track of unenforceable debts and develop policies that could further support collection of debts such as a much more extensive use of time-to-pay arrangements;
- introduce more fundamental changes to the tax policy including significantly reducing the tax burden on labor and exempt the smallest businesses operated by natural persons from taxation¹³ (or introduce a symbolic lump sum taxation (patent)).

¹³ For a more elaborate discussion of the options available please refer to the paper “Presumptive taxation – design and policy considerations” by the ACT project.

ANNEX 1 – MOT ACTION PLAN FOR 2011-15 ON DEVELOPMENT OF TAXPAYER SERVICES

Main Directions	Future Work	Due Date	Executors
1. Enlargement of application of electronic services	Enlargement of information and propaganda work on the use of electronic services, especially electronic chancellery, preparation and publishing of special booklet, preparation of an advertisement trailer	2011	Taxpayer Service Department Apparatus of MoT Information Analysis Department Finance and Logistics Department
	Start to application of registration of personal entrepreneurs in an online regime	2012	Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis Taxpayer Service Department
	Application of submission of statements and documents on taxpayers activities via electronic carriers – change of the activity type, termination of the activity	2012-2013	Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis Taxpayer Service Department
	Submission of proposal on payment of taxes in an electronic form; application of e-payments	2012	International Relations Department Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis
	Preparation of proposals on online registration of entrepreneurship subjects after application of electronic signature system in the republic	2014-2015	Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis Taxpayer Service Department
2. Improvement of tax returns	Making researches with the purpose of simplification of tax returns and determination of terms for their submission, study of international experience and submitting proposal	2011-2012	Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis International Relations Department Taxpayer Service Department
	Creation of opportunities for taxpayers to fill declarations and send them to a tax authority directly in an online regime without using special programs be only entering Internet Tax Department	2012-2013	Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis Taxpayer Service Department
3. Increase of the efficiency of the *195* telephone information service of the MoT	Organisation of trainings that based on most recent international experience in this sphere in order to increase the professional level of employees of the call center	2011	Taxpayer Service Department Training Center Finance and Logistics Department
	Creation of question-answer base and an improved search base in order to response to the entered questions in a single and flexible form	2011-2013	Taxpayer Service Department Finance and Logistics Department
	Provision of necessary technical equipment on registration of calls, receipt of reports on different parameters and realization of analysis, and showing professional technical service in this sphere	2011-2015	Taxpayer Service Department Finance and Logistics Department

Main Directions	Future Work	Due Date	Executors
	Determination of specific parameters for evaluation and stimulation of the call center and employees working there	2011-2012	Taxpayer Service Department
	Preparation of proposals on provision of realization of works on information and propaganda among taxpayers in order to specify from time to time data on telephone numbers to increase the efficiency of dispatch messages to taxpayers, liquidation of disparities in AVIS telephone numbers, and giving special attention to these subjects during on-site, operative tax inspections	2011	Taxpayer Service Department Tax Audit Main Department Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis Operative Control Department
	Provision of systematic and coherent realization of works on organization of a "Universal call center in the sphere of entrepreneurial activity" that covers proper authorities	2011	Taxpayer Services Department Finance and Logistics Department
4. Improvement of taxpayer service organization	Improvement of present mechanisms for an operative delivery to the taxpayers of changes made in the tax legislation and innovations occurred in the tax system	2013	Taxpayer Services Department Information Analysis Department
	Showing purposeful services to taxpayers by classifying them into groups on the level of compliance with tax legislation and activity fields considering different segments and sectoral definitions	2011-2014	Taxpayer Services Department
	Preparation and realization of special training programs on speech, communication and behavior for tax employees who are always in relations with taxpayers	2011	Training Center Taxpayer Services Department
	Creation of multifunctional service and operating rooms in the buildings of tax authorities, provision of services (coordination, information, registration, service on CCMs, debts, payments and etc.) in a single place and coherent order	2012-2015	Apparatus of the Ministry Taxpayer Service Department Main Department of Organization of State Register of Commercial Legal Entities and Economic Analysis Organization of Forced Collection of Tax Debts Department Finance and Logistics Department
	Determination and application of standards on services rendered to taxpayers by tax authorities	2011-2013	Taxpayer Service Department
5. Minimalisation of tax debts	Carrying out preventive measures in the direction of non-appearance of tax debts, decrease of the number of taxpayers who have debts to the budget	2011-2015	Organization of Forced Collection of Tax Debts Department
	Publication of data about taxpayers who failed to pay their tax debts ("black list"), its placement in internet and mass media	2012-2015	Taxpayer Service Department Organization of Forced Collection of Tax Debts Department

Main Directions	Future Work	Due Date	Executors
	Provision of dispatch of written messages to mobile phones and e-mails of taxpayers along with voice messages with the purpose of operative delivery of information on tax debts	2011-2015	Taxpayer Service Department Organization of Forced Collection of Tax Debts Department Finance and Logistics Department
	Creation of the internet site of the MoT section called 'How can we help you with your debts to the state budget?' and placement of clarifying mechanisms on tax reductions, prolongation of tax payment terms, registration of claims on bankruptcy and other such subjects there	2011-2012	Taxpayer Service Department Organization of Forced Collection of Tax Debts Department
6. Enlargement of the spectrum of services rendered to taxpayers at the taxpayer service terminals	Enlargement of the spectrum of activity of taxpayer service terminals, their functions and rendered services	2011-2013	Taxpayer Service Department
	Giving proposals on use of different electronic services of state authorities by people via taxpayer service terminals	2011-2012	Taxpayer Service Department National Confederation of Entrepreneurs (Employers) Organizations of the Republic of Azerbaijan
7. Enlargement of tax enlightenment and propaganda	Intensification of cooperation with mass media in relation to tax enlightenment and propaganda, organization of "tax" programs periodically going on the air on local television channels in regions	2011-2015	Taxpayer Service Department Regional Tax Departments
	Conducting of nationwide knowledge contest on taxes among schoolchildren in an online regime	2013	Taxpayer Service Department Regional Tax Departments
8. Continuation of improvement of tax appeal system	Studying progressive international experience on tax appeal system including the experience of Kazakhstan and preparation of proposals on its application	2012	Legal Department