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Jimmie Osburn, Data Processing Advisor arrived in Georgetown on January 19, 1971. He is scheduled to leave on February 19, 1971. Jimmie immediately started a study of the data processing equipment in the tax office. He will recommend that one of the NCR computers be removed and other equipment substituted, which will increase the data processing capabilities of the Tax office at a lower cost to the GOG.

In my November report I spoke of the installation of a new index card system for taxpayers names. This system, called the "Kalamazoo Strip File" is not designed for a taxpayers registry and as indicated in the report I voiced very strong objections to its installation. My objections were overruled. The system was abandoned during the month as unworkable just as I had predicted. However, prior to the abandonment of the system 18,000 taxpayers' names had been typed on the strips. This work resulted in a substantial loss of manhours to the Tax office.

We have planned the development of a data processing program to create a completely new index system.

The present system contains many errors and in addition has omissions of vital information. A better source for the creation of a central index would be the account cards. The account cards contain all necessary taxpayer information. However, these cards are in numeric order and a program had to be designed to secure an alphabetical listing. The problem was further complicated by the fact that taxpayers names are not uniformly listed. Some have the last name first, others have the first name first.

Jimmie spent a lot of time with the computer manufacturer to find a method of getting the information from the account cards onto some type of a visual record. Of course the information could have been key punched by the IBM service bureau and then converted to registers but this would be a very costly process. He spoke with the NCR personnel to find out if the card information were punched onto the NCR paper tapes could this tape be converted to a magnetic tape. After some inquiries NCR said this job could be done on machines located in Port of Spain or Caracas.

After the paper tapes are converted to a magnetic tape, either punch cards or registers could be printed from the tape.

The register or cards would contain the taxpayers name and address, account numbers and the last 3 years filing record. Registers punched in multiple copies would be distributed to the various work elements who have the most reference to the index registers.

Jimmie has resolved the problem of non uniformity of listing of taxpayers' names on the account cards.

Although the Commissioner has agreed in principle with the proposal, final approval will depend on the availability of money. Cost of the project to create the register is about \$2,500. Overtime to make the paper tape from the account cards has not been computed.

With Osburn's suggestion for additional equipment the index register may be updated each year on the NCR computer.

The Commissioner had asked me to make a space study of the office to determine the additional space needed. The study has been completed and shows that the Office of Inland Revenue requires approximately 50% more space than it presently has. This space problem is long range since no space is presently available and a new building will have to be constructed. Approval and money for the new building must be secured from the Ministry of Public Works. The Commissioner also desires to increase his staff. The space study contains all of the necessary formulae to determine requirements of possible increases in staff.

The new self assessment return was printed during the month. See attachment. All items marked "new" were the results of my suggestions.

For the first time in the history of Guyana, income tax returns were mailed to the taxpayers. Perhaps next year a label may be created from the index register. This label may be used to mail returns to taxpayers with the necessary account and identification, the lack of which is a big problem at the present time.

For the new filing period with self assessment and payment due with the return, another cashier's cage will be necessary. At the present time taxpayers must walk (elevator has not been working for four years) to the second floor of the Post Office Building to pay their taxes. Possibly the Postmaster may be persuaded to give up some space temporarily in the Post Office ground level for the additional cashier.

I had previously mentioned the problem of turnover of personnel in the Tax office. The Personnel Officer told me that in 1970 there was a 30% attrition rate.

The ProAg for the Tax Project had a commodity allocation of \$2,000.00. This money was expended during the month to purchase typewriters, desks and chairs for the Tax Office.

Attached is a newspaper clipping of an action started in the courts to have a new Tax Law declared unconstitutional. The law places a tax on distributions of earnings from companies and corporations and is retroactive to 1969. The 25 taxpayers mentioned in the writ are some of the largest and most influential taxpayers in the business community.