



Government of Belize

BELIZE TAX ADMINISTRATION SYSTEM  
**REQUEST FOR EXPRESSIONS OF INTEREST**

November 2018

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# 1. Background

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The Government of Belize (GoB) is considering the acquisition of a Commercial off the Shelf (COTS) Integrated Tax Administration System (ITAS) to support the Belize Tax Services (BTS). A single domestic tax department will be created concurrently to assume the operations of the existing Income Tax (IT) and General Sales Tax (GST) departments. The current operating environment is heavily paper-based, even with the presence of an Information System (IS) and the data quality and accuracy are very low. The two current tax departments share the same tax IT system which is SIGTAS. The GoB has the following corporate information systems:

- SIGTAS (Standard Integrated General Tax Administration System)
- BI / Reporting (QLIKVIEW)
- APS3
- VIZOR
- ITAS (Income Tax Auditing System)
- Smart Stream Financials

The GoB has established a program for the integration of the two existing tax departments and the creation of a modern tax administration, supported by the new integrated tax administration system. Wide consultation exercises are being performed to develop the requirements for an integrated tax administration system.

The program will also include a comprehensive organizational reform that will include process reengineering, streamlined functions and the establishment of comprehensive standard operating procedures (SOP). One core objective of the reform is a commitment to improving the customer experience as well as improving our “ease of doing business” ranking in the World Bank Survey.

Targeted potential benefits are driving the move to a new ITAS. These include alignment with the eGovernment initiatives to significantly expand e-services and create a more paperless operating environment, data analytics and cross-matching capabilities.

The new system will be expected to provide a range of new functionalities including:

- Full automation of all tax administration paperless processes integrated into other key government agencies (e.g. Treasury, Belize Companies and Corporate Affairs Registry, Vital Statistics, Ministry of Finance, Customs) and financial institutions
- A full suite of e-Services options available to taxpayers and other stakeholders
- Real-time provision of accurate and timely information for employees and management from the BTAS to support strategic planning and operational management
- improved data and capability for evidence-based decision making
- risk-based taxpayer compliance management

## 2. Summary Requirements

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The Request for Proposal (RFP) will capture in the detailed findings of a consultation exercise and will underpin a procurement process to be conducted at a later stage in the project.

This Request for Expressions of Interest (RFI) is a preliminary step, designed to provide the GoB with general information about the market availability and approximate costs of systems that may meet its requirements. Suppliers’ responses to this RFI are for preliminary information only and all suppliers will be invited to present / demonstrate their COTS products/solutions.

If your organization can offer systems and services which would satisfy the specified requirements set out in this RFI, please respond accordingly, with particular reference to the specific information requirements described in the paragraphs below.

All interested parties will be invited to submit formal proposals for evaluation at a later stage in the project.

## 2.1 Future Business Model

A modern tax administration requires optimal support for tax collection business processes, execution of control and respect of tax legislation. The GoB has identified the following architecture principles of the future business model, expecting that they will be enabled by the new COTS-based tax information system.

TO-BE feature	Description
<b>Taxpayer centric</b>	<ol style="list-style-type: none"> <li>1. Assured 360-degree view of taxpayer through the utilization of existing data in the tax departments, data reported by taxpayer or data received from 3<sup>rd</sup> party sources.</li> <li>2. All data, documents and information are linked to taxpayer, to enable balanced               <ul style="list-style-type: none"> <li>○ Customized services to taxpayers on one side and</li> <li>○ Efficient taxpayer compliance management on the other.</li> </ul> </li> <li>3. Taxpayer data is to be linked to all related entities and easily accessible and cross-referenced.</li> <li>4. Customer Relationship Management (CRM) to enable management, monitoring and analysis of relationship with taxpayers for all types of transactions including: returns, declarations, applications, requests, notifications, invitations, reminders, warnings and complaints, initiated administrative procedures and cases, assessed or determined liabilities, payments, refunds, log of correspondence events, documents in taxpayers e-dossier (e-archive), etc.</li> </ol>
<b>Paperless fully automated processes</b>	<ol style="list-style-type: none"> <li>5. All processes are fully IT enabled.</li> <li>6. All correspondence with business taxpayers will be paperless only. Individuals will be encouraged to utilize simplified and reduced electronic service delivery channels.</li> <li>7. All incoming paper documents will be digitalized and all out going documents will be generated by the system. Paperless assumes equal treatment of electronic and paper document, utilization of digital certificates for identification, use of digital signature for authentication, and use of timestamp for non-repudiation.</li> <li>8. All transactions related to tax administration should be recorded in the system using real time data processing.</li> <li>9. Bulk processes should be fully automated.</li> </ol>
<b>Integrated into business and other public agencies systems</b>	<ol style="list-style-type: none"> <li>10. Registration of new taxpayers is to be an integral part of registration of legal entities or birth of persons. (Belize Companies and Corporate Affairs Registry, Vital Statistics). Relevant changes made in the stake holders system should be automatically updated in the taxpayer registry using secure mechanisms.</li> <li>11. Filing of returns and payments are to be part of taxpayer account maintenance. These processes should be seamlessly integrated.</li> </ol>
<b>Data driven</b>	<ol style="list-style-type: none"> <li>12. Taxpayer profile created from multiple data sources (internal and 3<sup>rd</sup> party) will drive taxpayer compliance management. Accordingly, data to be exchanged must be accurate, available and shared using secure mechanisms.</li> <li>13. Analysis of data should drive decision making at all levels - strategic, tactical, operational.</li> </ol>
<b>High quality services to taxpayers and other stakeholders</b>	<ol style="list-style-type: none"> <li>14. The information system should support service-oriented tax administration.</li> <li>15. The system should assure interactive and automated web services.</li> <li>16. Taxpayers should have access to all their data history, which ensures an appropriate level of transparency with taxpayers.</li> </ol>

TO-BE feature	Description
	17. 24/7 accessibility to multi-channel e-services.
<b>Risk-based taxpayer compliance management</b>	18. Every taxpayer-related transaction should be automatically risk assess and their risk profiles updated. 19. Risk profiling should be built on internal and 3 <sup>rd</sup> party data.
<b>Business intelligence utilizing 3rd party data</b>	20. The system should support data analytics and cross-matching of data from different sources, taxpayer networks analysis and identification of patterns in taxpayer behaviors. 21. The system should support revenue modelling and forecasting 22. Standardized and ad-hoc management and operational reporting
<b>Security</b>	23. Applied data security protocols in data exchange and processing. 24. Data integrity must be assured at all time. 25. Assured audit trail of all events and support review process. 26. Role-based profiling of user access.

## 2.2 Functional Requirements

The following are the processes for which functional requirements is being sought: Registration, Filing Management, Assessment, Payment Processing, Taxpayer Account Management, Audit Management, Refund Management, Enforced Collection, Objections and Appeals, Compliance Management, Revenue Management and Supporting Processes.

*(Please indicate below each of the following topics the ability of your products to meet the stated requirements, preferably with examples drawn from other tax authorities who are using your products.)*

TAX ADMINISTRATION BUSINESS DOMAIN	COTS support			Comments
	Processes	Exists	Can be Configured	
<b>1. REGISTRATION</b>				
1.1. General Taxpayer Registration				
1.2. Tax Types Registration Management				
1.3. Tax Periods Management				
1.4. Registration of Taxpayer per Tax Type				
1.5. Inactivation / Reactivation / Deregistration				
1.6. Registration Compliance Monitoring				
1.7. Enforced Registration				
<b>2. FILING MANAGEMENT</b>				
2.1. Taxpayer - Tax Type – Tax Period Management				
2.2. Filing Compliance Monitoring				
<b>3. ASSESSMENT</b>				
3.1. Self-Assessment (Returns and Declarations)				
3.2. Administrative Assessment				
3.3. Additional Assessment/Re-assessment				
3.4. Best Judgement Assessment/Automatic				
<b>4. PAYMENT PROCESSING</b>				
4.1. Payment Processing				
4.2. Management of suspended payments				
<b>5. TAXPAYER ACCOUNT MANAGEMENT</b>				
5.1. Liability (Debit) posting				
5.2. Payment (Credit) posting				
5.3. Reconciliation (Offsetting)				
5.4. Payment Compliance Monitoring				
5.5. Payment non-compliance penalizing				
<b>6. AUDIT MANAGEMENT</b>				

6.1.	Audit Planning				
6.2.	Taxpayer selection				
6.3.	Audit execution (Case Management)				
6.4.	Audit Assessment				
<b>7.</b>	<b>REFUND MANAGEMENT</b>				
7.1.	Refund request processing				
7.2.	Refunding (re-payment)				
<b>8.</b>	<b>ENFORCED COLLECTION</b>				
8.1.	Payment Compliance Monitoring				
8.2.	Debt Management				
8.3.	Enforced Collection (Case management)				
<b>9.</b>	<b>OBJECTIONS AND APPEALS</b>				
9.1.	Objection				
9.2.	Appeals				
<b>10.</b>	<b>COMPLIANCE MANAGEMENT</b>				
10.1.	Taxpayer Compliance Risk Analysis				
10.2.	Compliance Strategy Management				
<b>11.</b>	<b>REVENUE MANAGEMENT</b>				
11.1.	Revenue reconciliation with banks				
11.2.	Revenue reconciliation with treasury				
11.3.	Revenue distribution				
<b>12.</b>	<b>SUPPORTING PROCESSES</b>				
12.1.	Internal Control				
12.2.	Statistics, Analysis and Planning				
12.3.	User Management				
12.4.	Workflow Management				
12.5.	Case Management				
12.6.	Document Management				
12.7.	E-Tax Services				
12.8.	Taxpayers Risk Management				
12.9.	Knowledge Management				
12.10.	External integrations				
12.11.	Data exchange				
12.12.	Security Management				

## 2.3 Implementation Service Requirements of the Tax System

*(Please indicate the approach of your organization to the provision of the following types of service that are expected to be performed during and after the project, as part of the assignment.)*

- Installation, Testing, and Acceptance Test Planning
- Software Development and Customization
- Training
- Data Migration
- Transition and Implementation
- Maintenance and Support
- Others (Add)

## 2.4 Implementation Timeframe

*(Please provide indicative timeframe for implementation of the whole system.)*

The following table provides indicative list of milestones with main deliverables, as estimated by the GoB team. Please provide your estimated timeframe in similar form.

Add any assumptions, preconditions, constraints...

Stage ID	Start	Main deliverable	Completion (weeks)
<b>1</b>	T	Mobilization	T+4
<b>2</b>	T+5	Project Plan and QA Plan	T+8
<b>3</b>	T+6	Transfer of knowledge: strategy and plan	T+9

Stage ID	Start	Main deliverable	Completion (weeks)
4	T+6	Appraisal of current situation & verification of requirements	T+10
5	T+8	Implementation approach, integration and migration strategy	T+11
6	T+8	Installation plan (technical components)	T+11
7	T+11	Acceptance strategy and test plans	T+20
8	T+11	System design modifications and prototype	T+20
9	T+15	System development & factory testing	T+30
10	T+15	Technical manuals, user manuals and training material	T+30
11	T+20	Installation and testing of technical components	T+25
12	T+26	Training: technical staff	T+29
13	T+30	Installation and integration of system components	T+35
14	T+36	Training: testers and help desk staff	T+38
15	T+39	Acceptance test core system	T+44
16	T+45	Acceptance test integrated system	T+49
17	T+40	Error correction, adjustments and retesting	T+52
18	T+45	Training of trainers	T+52
19	T+50	Data migration	T+70
20	T+53	Mass training	T+75
21	T+71	Acceptance test migrated system	T+80
22	T+81	Warranty period for accepted migrated system	T+136
23	T+10	Transfer of knowledge, on-going	T+136

## 2.5 Indicative Costs

*(Please provide indicative costs in the categories listed below. Please note that the costing information provided at this stage will have no significance other than to give a general indication of affordability. Formal priced proposals will be invited at a later stage.)*

Phase	Domain	Item	Y1	Y2	Y3	Y4	Y5	Total
<b>Implementation</b>	Support and consultancy	Support and consultancy						
	Tax SW	License						
		Customization						
	Infrastructure	DBMS						
		Standard Licenses						
		HW						
		Others						
<b>Maintenance and Support</b>	Services	Maintenance						
		Upgrades						
		Support						
	Goods	Licenses						
...	...							
		<b>Total</b>						

Please adjust the table according to our price structure and payment timeline.

## 3. Contractual Considerations

### 3.1 Supplier

The GoB recognizes that individual suppliers may not be able to meet the full range of requirements. However, we would ideally wish to contract with a single supplier for the provision of the required systems and services. If your organization would need to subcontract or enter into a partnership arrangement with another supplier in order to meet our requirements, please provide details.

## 3.2 Supplier Experience

Please provide details of other tax administrations for whom you have supplied similar systems and services to those outlined in this RFI.

## 3.3 Response Requirements

Our preferred response format is to use this RFI as a Word template and for the required information to be provided by entering details below the paragraphs in which the information is requested. Submissions must clearly state project name: “**Belize Tax Administration System – Request for Expressions of Interest**”

Your response should be sent to:

**Financial Secretary**  
**Ministry of Finance**  
Sir Edney Cain Building  
Belmopan, Cayo District  
Belize C. A.

Attn:

**Mrs. Michelle Longsworth**  
**Program Manager**  
**Program Office for the Modernization of Tax Administration**  
Tel: +501-222-5140  
Fax: +501-822-2886  
E-mail: [Michelle.Longsworth@mof.gov.bz](mailto:Michelle.Longsworth@mof.gov.bz)

One (1) original and five (5) copies of the Request for Expressions of Interest must be delivered no later than the following date and time: **4:00 p.m. on Friday December 21<sup>st</sup> 2018**

If you require additional information to enable you to respond fully to this RFI, please contact the above-named.

## 4. Note

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The term “Tax Administration System” has been used in this RFI to describe in general terms the type of system that the GoB anticipates acquiring. This should not be taken in any way as prescriptive or restricting the ultimate choice of system.

## 5. Appendix

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### 5.1 Relevant Statistics

The following is a selection of statistics to assist with defining the scale of the overall requirement:



### Returns administered for 2017

Tax Type	No. of Active Taxpayers as of 2017	No. of Returns
GENERAL SALES TAX	5065	29,862
GST PENALTIES/SETTLEMENTS	92	
COMPANY INCOME TAX	763	
EMPLOYEE INCOME TAX	192,393	16,794
P.A.Y.E.	5,693	1,936
BUSINESS TAX	25,655	63,018
BUSINESS TAX - RENT	749	230
BUSINESS INCOME TAX	3,544	
CONTRACT W/TAX	1,658	
LOTTERY W/TAX	113	
MGMT. FEES W/TAX	271	
INTEREST W/TAX	36	
DIVIDENDS W/TAX	91	
INSURANCE W/TAX	20	
MISCELLANEOUS	938	
FINES	178	
GENERAL ACCTS	368	
BUSINESS TAX (ECTS)	157	
ARRS. INC. TAX-ECTS	4,541	
INC. TAX (DH CHEQUE)	452	
ARRS. INT. ARRS. IT	4,054	
INST. INT. ARRS. IT	742	
PEN. ARRS. INC. TAX	2,889	
PEN. ARRS. BUS. TAX	99	
INT. ARRS. BUS. TAX	106	
BAILIFF FEE (ITAX)	517	
COURT FEE	374	
MGMT.FEES W/TAX CSM	59	
E_I/TAX N. RESIDENTS	65	2
ROYALTIES W/TAX	7	
IBC CLEARANCE FEE	68	

### Employees

Tax Office	No. of Employees
Income Tax	137
General Sales Tax	103

Further information can be found at

- <http://www.mof.gov.bz>
- <http://www.gst.gov.bz/>
- <http://www.incometaxbelize.gov.bz/>