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Annual Report 2013



Preface

With the aim to make life more convenient for the public, the Fiscal Information Agency (FIA) established the plan of 'The Taxation Information System Reform Project'. It was divided into three parts including 'The Implementation of the National Taxation Information System', 'The Implementation of the Local Taxation Information System', and 'The Independent Verification and Validation Project' to enhance the information services already provided by the Ministry of Finance and to provide innovative convenient service for the public. The National Taxation Information System was implemented at the five areas National Taxation Bureaus and the FIA on October 22nd, 2012. The Local Taxation Information System was implemented and all 71 systems went online for use at the end of November, 2013.

The Ministry of Finance began to implement the e-invoice system in physical consumption channels in 2010. At the beginning, only three business entities (7-11, Hi-Life, and PX-Mart) with 27 of their branches were issuing e-invoices. At the end of 2013, there are more than 16,700 stores issuing e-invoices and the number of e-invoices is more than 3.7 billion indicating that e-invoices are well accepted by consumers and business entities.

One of the purposes in promoting B2C invoices is to increase the number of B2B e-invoices. In the past three years, the number of B2B e-invoices issued have increased from 6.8 million to 120 million implying this strategy is correct and well executed.

To keep promoting e-invoices and respond to the trend of 'Big Data' technology, the MOF will soon launch a new project, 'Creating Intelligent Life by E-invoice', to provide more e-invoice applications for consumers, business entities and government via data analysis and Open Data Services so that the goal of intelligent life can be achieved.

Being the only central information government organization of our country after the organizational reform of the Executive Yuan, the FIA is responsible for the overall planning of the information systems and resources of all the agencies under the MOF, including aspects of promotion of private participation, national treasury, taxation, customs, and national property.

Based on the ratified 'Proposal Statement of Promoting Policy of Fiscal Information', the FIA started three short term projects to create a high-quality fiscal information environment, including promotion of the integration and sharing of information resources of the MOF, colocation of the hardware devices of the National Treasury Agency and National Property Agency, and upgrading of the mobile application 'Financial Garden'. As a medium-long term project, the FIA will follow the consensus and decision of 'The Guidance Team for the Promotion of Information', with the aim of enhancing the value of fiscal information, to create a blueprint for the development of future fiscal information in a prospective manner, and to maximize the efficiency from integrated and value-added information services.



Su Chun-Jung

Director-General

Fiscal Information Agency, Ministry of Finance

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Chief Secretary

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I

Organization and Functions



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**Organizations (Agencies) under the Ministry
of Finance**

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Organization of the FIA

1. Orgnizations Chart of the Ministry of Finance



2. Organization of the FIA

The Fiscal Information Agency (FIA) is established by the Ministry of Finance for the purpose of overseeing the information businesses of its headquarters and subordinate agencies. The FIA is constituted according to 'The Act of Organization of the Fiscal Information Agency, Ministry of Finance' with a Director-General, two Deputy Director-Generals, and a Chief Secretary. The Agency is responsible for the following affairs:

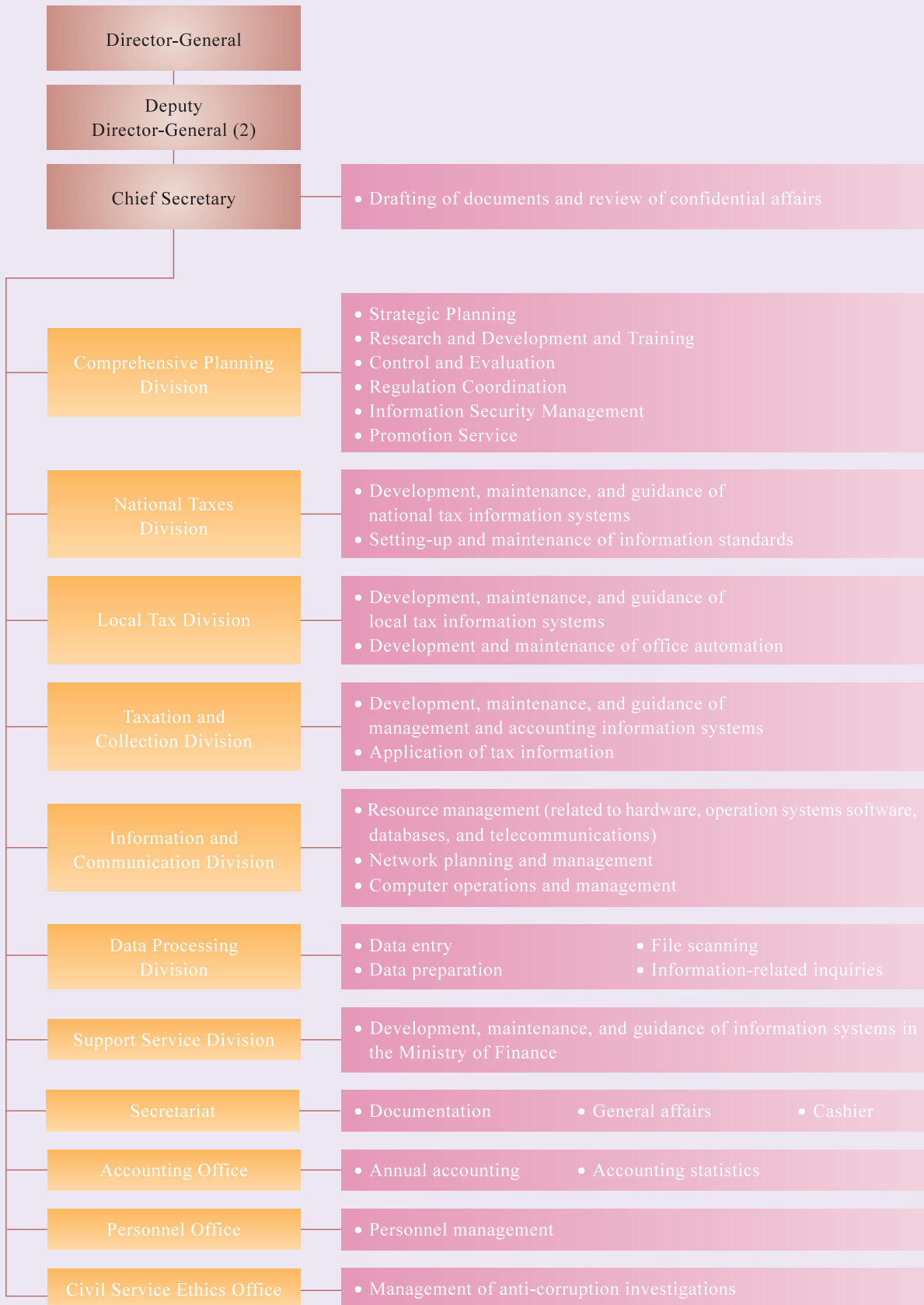
- A** The overall planning, coordination, research and evaluation of the information systems of the Ministry of Finance.
- B** Deliberation, inspection and assessment on operations, plans, equipments and performance of the information systems of the Ministry of Finance and its subordinate agencies.
- C** The planning, advocacy and assessment for information security of the Ministry of Finance and its subordinate agencies.
- D** The overall planning of fiscal information management, system design, examining and reviewing of procedural handbooks and regulations, operational training, guiding, supervising and controlling.
- E** The implementation of data collection, processing and utilization in accordance with the Tax Collection Act and other relevant laws.
- F** The establishment and management of the information system for government procurement and private participation in infrastructure.
- G** The other matters related to the fiscal information of the Ministry of Finance.

The Comprehensive Planning Division, National Taxes Division, Local Tax Division, Taxation and Collection Division, Information and Communication Division, Data Processing Division, Secretariat, Personnel Office, Civil Service Ethics Office, Accounting Office, and Support Service Division were established for the above affairs.

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Organization of the Financial Data Center



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Information System Facilities

1. Human Resources

The workforce of the FIA totaled 394 members of staff as of the end of 2013; wherein, 287 (72.84%) were directly employed and 107 were employed on contract. By area of job, 203 (51.52%, the highest percentage) were assigned to system design and planning and 73 (18.53%) to data compilation and entry. By age, the largest group, of 143 staff (36.29%), was of those aged from 40 to 49. The smallest group, of 9 people (3.55%), was of those aged under 29. By educational attainment, junior college graduates, a group of 120 people (30.46%) comprised the largest group.

Statistics of Staff, by Job Area

No. of Staffs Function		Job Area				Total	%
		Design and Planning	Computer Operation and Control	Data Compilation and Entry	Admini- stration		
Management		48	0	0	9	57	14.46
Field of Operation	By Commission	141	20	10	59	230	58.38
	By Contract	14	8	63	22	107	27.16
Total		203	28	73	90	394	100.00
%		51.52	7.11	18.53	22.84	100.00	

Age Statistics

No. of People Operational Level		Age Group				
		29 or less	30-39	40-49	50-59	60-65
Senior Grade		0	0	10	12	2
Assistant Grade		14	40	51	26	15
Junior Grade		0	2	15	67	32
Associate Clerk		0	0	0	0	1
Contract Employee		0	4	67	24	12
Total		14	46	143	129	62
%		3.55	11.68	36.29	32.74	15.74

Educational Statistics

No. of People Operational Level	Educational Attainment	Doctoral	Institute	University	Junior College	Senior High School
		Senior Grade	4	14	5	1
Assistant Grade	1	66	64	15	0	
Junior Grade	0	0	22	52	42	
Associate Clerk	0	0	0	0	1	
Contract Employee	0	2	14	52	39	
Total	5	82	105	120	82	
%	1.27	20.81	26.65	30.46	20.81	

2007-2013 Workforce Profile

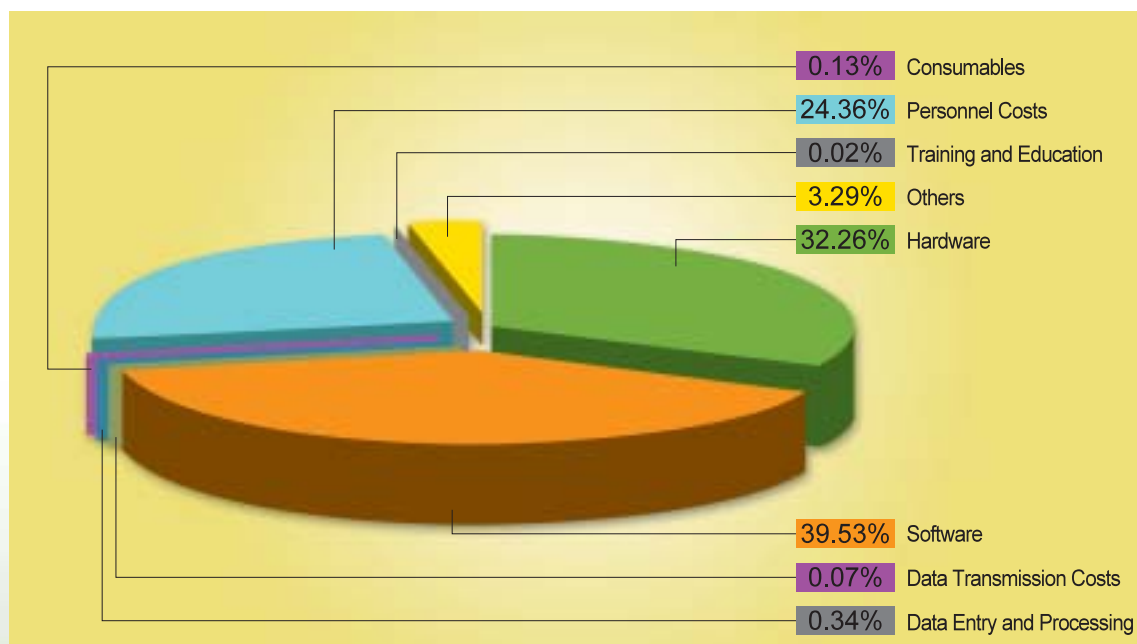
No. of Staff Job Area	Year						
	2007	2008	2009	2010	2011	2012	2013
Design and Planning	150	157	146	147	158	150	203
Operation and Control	33	32	29	28	48	51	28
Data Compilation and Entry	169	160	160	162	152	143	73
Administration	53	53	69	63	45	47	90
Total	405	402	404	400	403	391	394



2. Expenditure

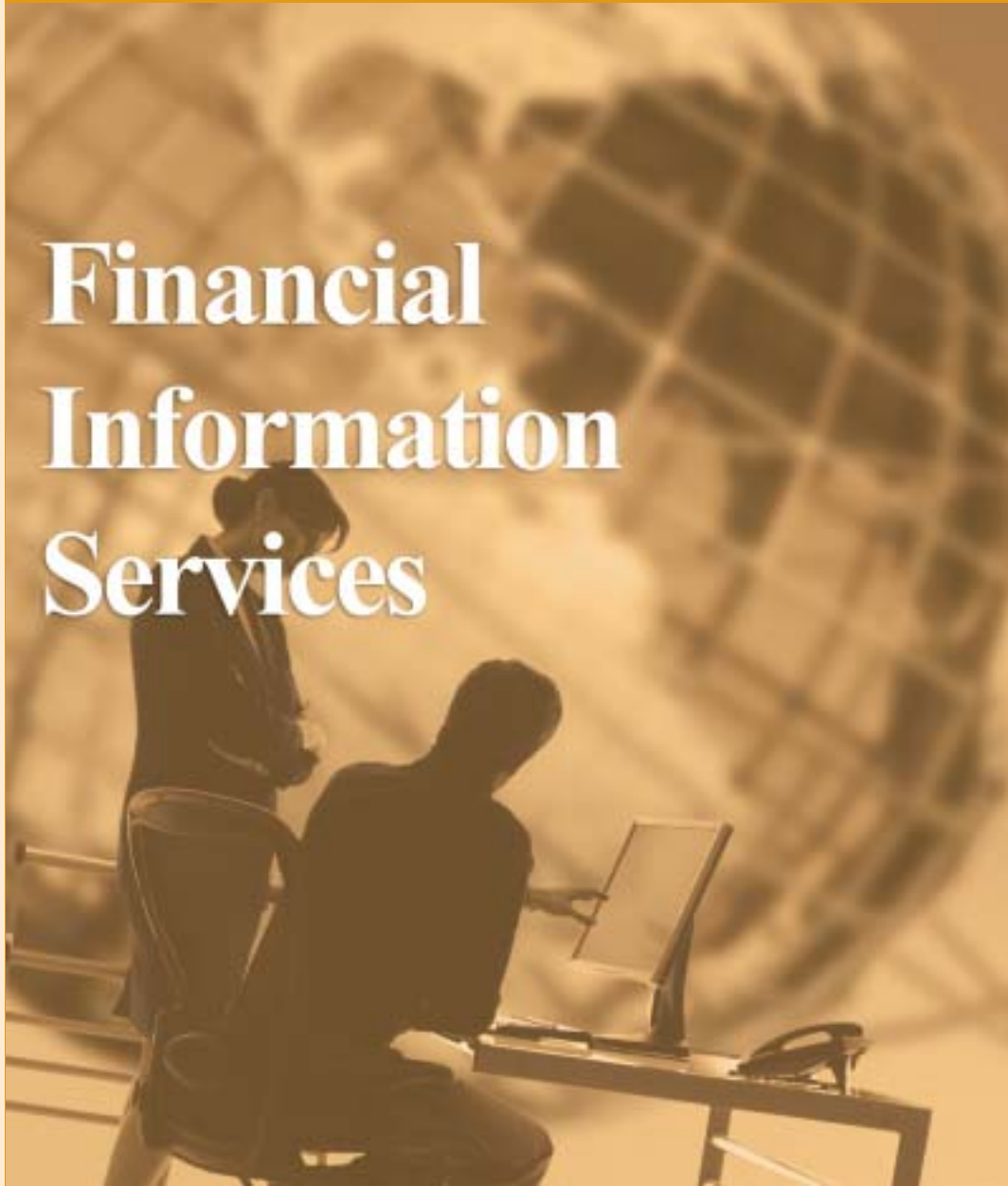
The total amount of the expenditure for information operations for 2013 was NT\$1,669.108M, and NT\$538.472M (32.26%) was used to pay for hardware (including mainframe and peripherals) and NT\$659.709M (39.53%) for software (including lease, purchase, and contracted programming). Other payments, including those of data transmission, data entry and processing, consumables, personnel costs, training and education, and others came to NT\$470.927M (28.21%) of the total.

2013 Expenditure for Information Operations





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and Information Audit**

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Information Audit Tasks

1. Management of the Information System for the MOF

A The MOF Executive Information System

Completion of the checking of the account numbers and the authorization of access to the functions of the MOF Executive Information System.

B The MOF World Wide Web System

Improvement of the mobile service, building of a new mobile website to provide the information of the press releases statements, FAQs, electronic bulletin board, and the release of various apps, etc.

C The MOF Documentation and Archive Management System

Promotion of organizational reform and, adjustment of the data of the MOF, the National Treasury Administration, the Taxation Administration, the Training Institute and the Printing Plant.

D The MOF Electronic Document Exchange Center

Promotion of the strength of the MOF information security, enhancement of the quality of the service and to be in accord with the information security policy of the MOF.

E The MOF Salary Information Management System

Establishment of a new web-based system to achieve system-resource sharing and efficiency in centralized system management.

F The Service of the MOF Portal System

In response to 'Internet Protocol Upgrade Promotion Policy' of the Executive Yuan and the official implementation of the 'Personal Data Protection Act', the MOF outsourced the building of 'The New Generation of the MOF Portal System'.

G MOF Host Computer Management

Enhancement of real-time data backup and recovery mechanisms to reduce backup recovery time.

H The MOF Network Resource Support IPv6

Upgrading of the network devices and network service to support IPv6 services such as DNS, E-mail, WWW, etc.

I Personal Computer Management of the MOF

In response to the termination by Microsoft of the Windows Update termination of the Windows XP operating system as of April 2014, the original PC operation system has been gradually upgraded to Windows 7.

J The MOF Promotion of the Private Participation System

Developing and correcting the Promotion of Private Participation website to provide latest information that more closely meets the needs of the public.



2. Information and Communication Security Management

- A** Based on 'The Information Security Management Directions for the Executive Yuan and Its Subordinate Agencies', 'The Information Security Management Guidelines for the MOF and Its Subordinate Agencies', 'The Plan for the Establishment of National Infrastructure for Information and Communication Security' and related regulations, the FIA supervised the subordinate agencies of the MOF in the implementation of information and communication security measures.
- B** Engagement in the formulation of the information security management mechanism of the MOF with requests to the subordinate agencies of the MOF to make annual information security plans, with evaluation reports after execution of the plans.
- C** Supervision of the subordinate agencies and institutions of the MOF in the establishment of a reporting mechanism for information security incidents in order to intensify the information security defense ability of each agency of the MOF. Various drills were also held on incident reporting, hacker attacks and social engineering on a regular basis.
- D** Based on the framework of the Information Security Management System (ISMS) and its Plan-Do-Check-Act (PDCA) execution model for continuous improvement in relation to the major businesses and working processes related to information security and also based on the business continuity plan, we held a drill on systems recovery by the end of the year so that the FIA could successfully fulfill the requirements of ISO27001 and pass re-assessments by the British Standards Institute (BSI) in March and September, 2013.
- E** External specific information audit
- a. In order to enforce the Information and Communication Security Policy formulated by the National Information and Communication Security Taskforce (NICST), on-site audits were carried out at the Customs Administration and the Taiwan Tobacco and Liquor Corporation of the MOF in 2013.
 - b. Formulation of the routine and annual on-site evaluation of taxation automation business in all local revenue services in 2013.
- F** Completion of the review of the MOF and its 17 subordinate agencies and institutions based on 'The Evaluation of the Efficiency of the Computer Operations of Government Agencies'.
- G** According to the requirements of the Personal Information Management System (PIMS) and the ISMS in regard to out-sourced maintenance and operation of the taxation application systems, we carried out an external audit on on-site out-sourced contractors and undertook follow-up control on the contractors on the requests for improvement that were proposed in the audit report.



3. Comprehensive Planning

- A** Examination of the information projects of 2014 and the budgets of 2014 of all the departments and organizations under the Ministry of Finance on the basis of the 'The Rule of the Information Projects and Budgets of All Departments and Organizations under the Ministry of Finance in 2014' with the principle of zero-based budget and information-related-only requirements.
- B** Designing of the 'Financial Garden' for the integration of all of the mobile applications of the MOF to provide a single service entrance for the public. In 2013, the FIA delivered many services within this application, such as financial news, legislation and laws, activities, government location by GPS, government telephone numbers, government websites, service timetables, etc. The FIA also integrated the e-filing and e-payment services for individual income tax.
- C** Accomplishment of the planning of 'The Fiscal Information Sharing Service Platform', which is to be the demonstration prototype for the application of the cloud architecture in cross-government services under the Ministry of Finance so as to fulfill the aim of integrating the fiscal information systems.

information

D Following the operation of the 'Information Promotion Guidance Team of the Ministry of Finance', and in the attempt to expand the information tasks of the Ministry of Finance, the 2013 Guidance Meeting was arranged, and an important consensus on the policy of information improvement was reached.

E In order to lift the value of innovation regarding informational intellectual property rights (patent, writings, trademarks and trade secret) and avoid copyright infringement, we are building our patent strategy to apply for domestic patents of outsourcing information projects that have innovative value in addition to continuing to keep an inventory of current valuable information.

F Furthermore, due to the perpetual advancement of information technology and its responsibility in the planning and coordination of the information systems of the MOF, the FIA analyzes the integration of the information in the governmental finance system from a legal perspective, including fiscal open data policy, execution of the integration of cross-departmental fiscal information as well as the establishment of a management policy for the intellectual property rights of fiscal information in order to boost the effectiveness of government legal services.



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Taxation Information Services

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1. National Taxes

A e-Filing

a. Operation of the Electronic Declaration of Individual Income Tax Data

773,970 individual income tax cases were declared via e-Filing in 2013, representing 90.89% of the total, and showing an increase of 0.6% compared with 768,923 cases of 2012.

Data of the No. of Cases Declared of Individual Income Tax Data by Type of Filing (2009-2013)

Taxation Year	Type	Via e-Filing		Manually		Via Media		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2009		776,357	92.01	45,538	5.40	21,899	2.59	843,794
2010		786,649	91.99	43,912	5.13	24,605	2.88	855,166
2011		805,098	91.45	43,118	4.90	32,160	3.65	880,376
2012		768,923	91.62	47,285	5.63	23,037	2.74	839,245
2013		773,970	90.89	50,354	5.91	27,240	3.20	851,564

Source: Individual Income Tax Data Electronic Declaration Operations System

b. Filing of Individual Income Tax Returns via e-Filing

3,263,439 cases of individual income tax returns were filed via e-Filing or electronic media in 2013, representing 79.90% of the total of 4,084,484 of declarations of individual income tax for the year.

No. of Individual Income Tax Returns filed via e-Filing, Manually, and by 2D Barcode Returns by Type of Filing (2009-2013)

Taxation Year	Type	Via e-Filing		Manually		2D Barcode Returns		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2009		3,128,515	57.24	1,679,054	30.72	658,418	12.04	5,465,987
2010		3,334,120	62.27	1,485,469	27.74	534,555	9.98	5,354,144
2011*		2,693,622	69.28	872,881	22.45	321,452	8.27	3,887,955
2012*		2,785,013	75.98	673,111	18.36	207,502	5.66	3,665,626
2013*		3,263,439	79.90	624,940	15.30	196,105	4.80	4,084,484

Source: Outputs from the Individual Income Tax Declaration System

* Excluding the number utilizing the service of the pre-calculation of individual income tax returns

c. Service of the Pre-Calculation of Individual Income Tax

By mailing a pre-calculation of individual income tax for simple cases, the FIA enables taxpayers to confirm the pre-calculation and to complete their tax declaration via e-Filing. 377,777 cases were declared by this method in 2013, representing 20.04% of the total number of declarations of individual income tax for the year.

No. of Cases Declared Using the Pre-Calculation of Individual Income Tax by Type of Payment (2011-2013)

Taxation Year	Type	Via e-Filing		Letter / Telephone		Straight Payment of Tax In Person		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2011		355,666	21.93	752,115	46.37	514,211	31.70	1,621,992
2012		462,591	23.09	838,982	41.88	701,727	35.03	2,003,300
2013		377,777	20.04	768,372	40.76	738,990	39.20	1,885,139

Source: Files provided by each National Taxation Bureau

d. Individual Income Tax e-Filing for Foreigners

85,032 cases were filed via e-Filing or other electronic media, representing 65.46% of the total of 129,883 of such returns filed.

No. of Cases Declared of Individual Income Tax for Foreigners

Taxation Year	Type	Via e-Filing		Manually		Via Media		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2011		28,082	26.07	73,646	68.38	5,972	5.55	107,700
2012		71,390	53.48	56,120	42.04	5,968	4.47	133,478
2013		85,032	65.46	37,871	29.15	6,980	5.37	129,883

Source: Files provided by each National Taxation Bureau

e. Individual Income Tax e-Filing for Professional Practitioners

27,539 cases were declared via e-Filing in 2013 which showed an increase of 10.06% over 2012, representing 68% of the total number of cases of such returns filed.

No. of Cases Declared of Individual Income Tax Returns via e-Filing of Professional Practitioners

Taxation Year	Type	Via e-Filing		Total
		Cases	Rate %	Cases
2011		19,515	48.79	40,000*
2012		25,034	62.59	40,000*
2013		27,539	68.84	40,000*

Source: Files provided by each National Taxation Bureau

* Estimate Cases

f. Filing of Profit-seeking Enterprise Income Tax Returns

796,417 cases were filed via e-Filing or other electronic media in 2013, representing 99.60% of the total of 799,609 cases filed.

Collect of Profit-Seeking Enterprise Income Tax Returns

Taxation Year	Type	Via e-Filing		Manually		Total
		Cases	Rate %	Cases	Rate %	Cases
2009		715,877	97.16	20,944	2.84	736,821
2010		721,032	97.00	22,302	3.00	743,334
2011		747,021	98.10	14,460	1.90	761,481
2012		780,649	99.73	2,109	0.27	782,758
2013		796,417	99.60	3,192	0.40	799,609

Source: Files provided by each National Taxation Bureau

g. Filing of Provisional Income Tax Returns

The percentage of provisional income tax returns declared via e-Filing has been close to 100% every year since it reached 100% in 2008.

Collect of Provisional Income Tax Returns

Taxation Year	Type	Via e-Filing		Manually		Total
		Cases	Rate %	Cases	Rate %	Cases
2009		38,414	99.99	3	0.01	38,417
2010		30,835	100.00	0	0.00	30,835
2011		32,457	100.00	0	0.00	32,457
2012		31,199	99.98	5	0.02	31,204
2013		29,278	99.99	2	0.01	29,380

Source: Files provided by each National Taxation Bureau

h. Business Tax via e-Filing

Provision of the service of business tax declaration via e-Filing saved time to declare business tax for business entities. This also saved the labor for handling of mail for 779,897 cases that were declared via e-Filing in 2013, representing 95.65% of a total of 815,343 cases declared.

Business tax declared by Type in the last five years

Taxation Year	Type	Via e-Filing		Manually		Via Media		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2009		674,992	92.06	56,485	7.70	1,760	0.24	733,237
2010		704,805	93.54	47,516	6.31	1,176	0.16	753,497
2011		730,410	94.33	43,076	5.56	853	0.11	774,339
2012		757,267	95.14	38,054	4.78	617	0.08	795,938
2013		779,897	95.65	34,858	4.28	588	0.07	815,343

Source: Outputs from the Business Tax Returns Management system

i. Securities Transactions Tax and Futures Transactions Tax via e-Filing

941 securities transactions tax returns were filed via e-Filing in 2013, representing 69.29% of a total of 1,358. 160 futures transaction tax returns were filed via e-Filing in 2013, representing 72.73% of a total of 220.

No. of Cases Declared of Securities Transactions Tax Data

Taxation Year	Type	Via e-Filing		Manually		Total
		Cases	Rate %	Cases	Rate %	Cases
2011		373	27.84	967	72.16	1,340
2012		618	44.52	770	55.48	1,388
2013		941	69.29	417	30.71	1,358

Source: Outputs from the Securities Transactions Tax Declaration System

No. of Cases Declared of Futures Transactions Tax Data

Taxation Year	Type	Via e-Filing		Manually		Total
		Cases	Rate %	Cases	Rate %	Cases
2011		105	52.76	94	47.24	199
2012		150	72.82	56	27.18	206
2013		160	72.73	60	27.27	220

Source: Outputs from the Futures Transactions Tax Declaration System

j. Commodity Tax and Tobacco and Alcohol Tax via e-Filing

Commodity Tax and Tobacco and Alcohol Tax via e-Filing commenced in September, 2011. The number of cases of commodity tax declared monthly via e-Filing in 2013 was 1,036, representing 69.30% of the total cases; the number of cases of tobacco and alcohol tax declared monthly via e-Filing in 2013 was 389, representing 78.74% of the total.

No. of Cases Declared of Commodity Tax Data

Taxation Year	Type	Via e-Filing		Manually		Media		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2011		522	34.41%	985	64.93%	10	0.66%	1517
2012		895	54.05%	758	45.77%	3	0.18%	1,656
2013		1036	69.30%	459	30.70%	0	0.00%	1,495

Source: Files provided by each National Taxation Bureau

No. of Cases Declared of Tobacco and Alcohol Tax Data

Taxation Year	Type	Via e-Filing		Manually		Media		Total
		Cases	Rate %	Cases	Rate %	Cases	Rate %	Cases
2011		271	54.64%	225	45.36%	0	0%	496
2012		353	66.23%	180	33.77%	0	0%	533
2013		389	78.74%	105	21.26%	0	0%	494

Source: Files provided by each National Taxation Bureau



k. Estate Tax and Gift Tax via e-Filing

Estate tax and gift tax e-Filing commenced in September, 2011. The number of estate tax cases declared via e-Filing was 497 and the number of gift tax cases declared via e-Filing was 547 in 2013.

No. of Cases Declared of Estate Tax Data

Taxation Year	Type	Via e-Filing		Manually		Total
		Cases	Rate %	Cases	Rate %	Cases
2011		73	1.80%	3,989	98.20%	4,062
2012		253	5.74%	4,153	94.26%	4,406
2013		497	14.46%	2,939	85.54%	3,436

Source: Files provided by each National Taxation Bureau

No. of Cases Declared of Gift Tax Data

Taxation Year	Type	Via e-Filing		Manually		Total
		Cases	Rate %	Cases	Rate %	Cases
2011		41	0.31%	13,219	99.69%	13,260
2012		92	0.74%	12,299	99.26%	12,391
2013		547	13.23%	3,587	86.77%	4,134

Source: Files provided by each National Taxation Bureau

B Individual Income Tax e-Deduction Statement Project

The five areas of National Taxation Bureaus put into practice of individual income tax e-Deduction statement project to allow for the auditing of automated deductions and to provide e-deduction statement downloads for the taxpayer to reduce the cost of individual income tax filing.

C Service of the Pre-Calculation of Individual Income Tax Returns

Individual taxpayers who meet certain requirements can receive pre-calculated income tax notices and tax bills. If the taxpayers confirm the calculation or pay the tax as stated on the tax bills, they are deemed to have finished their income tax return filing. The number of taxpayers utilizing the aforesaid service was 1.89 million in 2013, which was 32% of the total number of taxpayers.

D The Specifically Selected Goods and Services Tax Information System

There were 12,683 cases of house and land transactions and three cases of specifically selected goods and 99 cases of specifically selected services declared from 1st June, 2011 to 31st December, 2013, which performance with the results in the case of house and land transactions show the effect in controlling acts of purchasing and selling houses within a short period of time.

E Comprehensive Promotion of the Use of E-invoice Project

- a. To motivate consumers to ask for E-invoice which are due to them when purchasing commodities, the MOF added extra 2000 draws of NT\$2000 Prize from 1st July, 2013.
- b. More than five million chances of lucky draw were held from July to October to encourage consumers to use their personal barcodes and other electronic carriers.
- c. Announcement of 'The Guidelines for the Issuance of e-Invoices' on 22nd August to apply as of 1st January, 2014.
- d. Completion of the connection between the E-invoice platform and the Government Budget Accounting (GBA) system.
- e. Launching of four new policies
 - (a) Unification of the E-invoice forms and passively paper receipt printing for consumers.
 - (b) Integration of the E-invoice process in physical and virtual channels.
 - (c) Launching of E-invoice special prefix.
 - (d) Active issue of the qualification of the use of e-Invoices to business entities.
 - (e) The achieved execution targets were as follows:

The achievement of the targets for key performance indicators in the execution of the E-invoice Project in 2013 is shown in the following table.

The E-invoice project in 2013

Key Performance Indicator	Original Target	Fulfilled Target
No. of companies using B2B e-invoices	33,000	44,683
No. of B2B e-invoices issued	6,500,000	12,227
No. of B2C e-invoices issued	70,000,000	370,393

Source: Files Provided by E-Invoice Platform

F The improvement of the audit and operation system for inland taxes and customs duties

- a. Improvements were made in the sharing of information resources in regard to the imposition of inland taxes and customs duties. Further work was done to improve the efficiency and the selection of cases for audit to prevent tax evasion.
- b. In order to facilitate the 'CPT Single Window' project, promoted by the Customs Administration, the FIA completed the tasks of system programming and test of the taxation information systems on schedule. The 'CPT Single Window' Information System became available online commencing on 19th August, 2013.
- c. To enhance the assessment of tax evasion in Internet purchases, a special team was formed by the Taxation Administration, the Customs Administration, the five areas of National Taxation Bureaus and the FIA. The team is working to detect tax evasion on internet purchases early by auditing taxation information collected from payment channels, import declarations and the internet.

2. Local Taxes

- A** Implementation of the Local Taxation information Reform Project.
- a. In 2013, the tasks of system integration testing, system verification and validation and parallel testing of the Smart Local Taxation System were completed.
 - b. In 2013, database transformation and system deployment of the Smart Local Taxation System were completed for 23 Local Tax Bureaus.
 - c. In 2013, three financial information reports were completed: 'Study of the effective use of public and private sector resources to integrate fiscal information systems for taxation and national property', 'Study of the effective uses of public and private sector resources to integrate fiscal information systems for customs and trade' and 'Study of the effective uses of public and private sector resources to integrate fiscal information systems for treasury and payment'.
 - d. Training courses in the operation and management of the applications of the system were opened in 2013. The total hours of these courses was 3,843, and 15,052 participants attended.
- B** Land Value Increment Tax
- a. Local Application System Planning, Design, and Maintenance All local taxation services were supported by the FIA in updating land tax files based on the media files available from the local land administration agencies. Local taxation services were also supported by the FIA in developing applications for the imposition of land value increment tax, the auditing of a landowner's taxation data, and ascribing the tax rate and deductions or exemption from tax.
 - b. Centralized Auditing and Statistics The FIA performed the auditing of cases applying for the self-use land rate of the land value increment tax by cross-checking with previously collected tax data to find abnormal cases to be listed for further check. All local taxation services island-wide submitted data to the FIA via media for compilation by category of area, grade, public or private land, and exemption depending on the type of the taxable land in order to output statements of statistics for the regulating authorities to make reference to in their decision-making process.
- C** Land Value Tax
- a. The FIA designed and maintained the Land Value Tax System for the local taxation services and held the Land Value Tax Levying Operation Training and Guidelines Seminar.
 - b. Residential land data and land property data are submitted by the tax collection offices via the network to the FIA for compilation by the week to update the information kept at the FIA so as to provide data to meet inquiries by tax collection offices, financial institutions and judicial courts.

D Vehicle License Tax

Files provided by each city and county government were used in order to generate vehicle license plate numbers through cross-checking to create lists of cases that violate the law. The use of this system allows for savings in labor and for thoroughness in checking with a resulting increase in tax revenue.

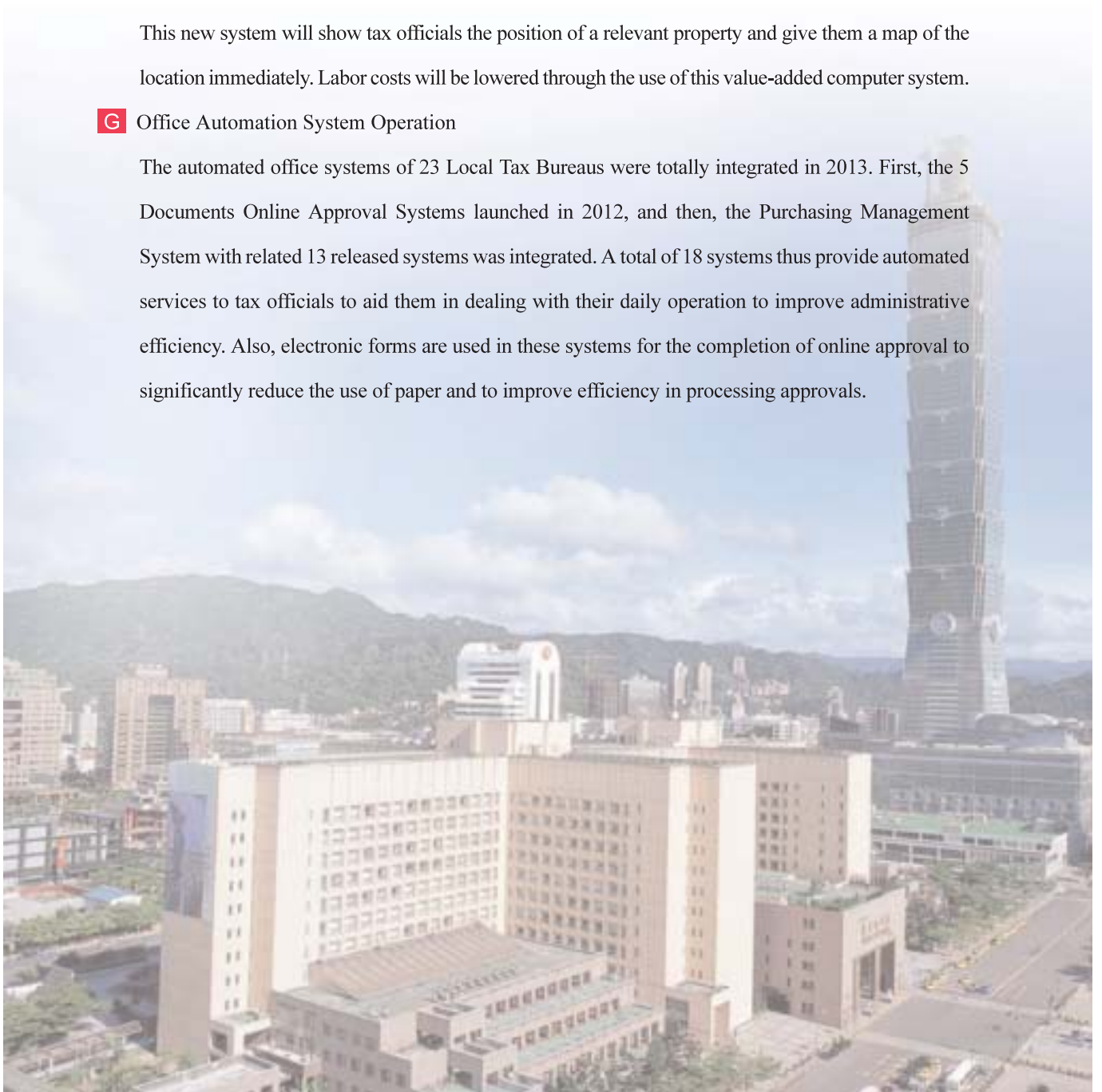
E Local Tax e-Filing Tasks

Over 2,320,000 cases (about 70% of the annual counts) were handled via the new network system during 2013, thus reducing the time needed for the related work and saving NT\$ 1.414 billion.

F Outsourcing for the GIS Mobile Software System Integration for House and Land Tax Live Review
GIS and GPS systems were integrated into local e-tax systems with the purpose to help tax collectors to simplify their work while implementing the annual checking program of the house tax and land tax. This new system will show tax officials the position of a relevant property and give them a map of the location immediately. Labor costs will be lowered through the use of this value-added computer system.

G Office Automation System Operation

The automated office systems of 23 Local Tax Bureaus were totally integrated in 2013. First, the 5 Documents Online Approval Systems launched in 2012, and then, the Purchasing Management System with related 13 released systems was integrated. A total of 18 systems thus provide automated services to tax officials to aid them in dealing with their daily operation to improve administrative efficiency. Also, electronic forms are used in these systems for the completion of online approval to significantly reduce the use of paper and to improve efficiency in processing approvals.



3. Taxation and Collection

- A** 'The Implementation of the National Taxation Information System' under 'The Taxation Information System Reform Project'
- a. Multi-faceted monitoring and adjustments of the taxation systems help to improve their effectiveness.
 - b. Several training lectures on core or new tasks have been designed to acquaint potential users with the taxation systems.
 - c. A feedback mechanism for the reporting of taxation system errors and requirements change has been established to enhance system functions and efficiency in solving problems.
 - d. Data backup and remote backup drills were practiced.
 - e. The eTax portal promotion seminar was held.
- B** Promotion of tax-payment notifications with bar-codes
- a. Implementation of the tax payment of individual income tax, profit-seeking enterprise income tax and business tax by current savings accounts via the internet.
 - b. In accordance with government policy, the implementation of the remittance of withholding income tax of central government agency.
 - c. Convenience stores received a total number of 11,768,254 cases of tax payment to an amount of NT\$ 50.5 billion in taxes, and financial institutions received a total number of 19,299,172 to the amount of NT\$ 1.290 trillion in 2013.

C Certificate of the Obligatory Claim Electronic Operations

- a. To simplify and replace the process of the scanning every certificate of an obligatory claim individually at the national taxation bureaus and local tax bureaus, we coordinated with the administrative enforcement agencies to e-certificate and transfer them to national taxation bureaus and local tax bureaus, automatically reducing labor costs.
- b. From 1st January, 2013 till 31st December, 2013, coordinate the Administrative Enforcement Agency and the local tax bureaus to use e-certificates for obligatory claims to a total of 21,970 official documents and a total of 287,832 certificates were exchanged via the internet. Coordination with the Administrative Enforcement Agency and the national taxation bureaus in the use of e-certificates for obligatory claims in related programs from July 2013, and a total of 10,524 official documents and a total of 42,696 certificates had been exchanged via the internet by the end of December 2013.



4. Financial Networking

A National Taxation and Local Taxation network integration

Integration of the national taxation and local taxation networks with high availability, high performance and high security in the network configuration. In order to strengthen the sharing of national taxation and local taxation information resources , to accomplish various data query and file exchange and to enhance the overall efficiency of the national taxation and local taxation information systems.

B Household Administration Network Online Task

Further work was done to achieve the integrated application of household administration information and the selection of cases for audit to prevent tax evasion and to increase tax revenue.

C Tax Declaration Network Connection

Connection of the FIA ,the operations center and the Tax Declaration Network to collect the files of tax returns.

D Electronic Gate Connection Task (Information Provider of Tax Information)

Handling of the program of the development of an Electronic Networking Government by providing the facility for non-taxation agencies to make inquiries regarding common taxation data via the government service network so as to facilitate government agencies in the application of taxation resources, and thus to improve administrative efficiency and upgrade the quality of service for the general public.



E Other network online operations

Improvement in the integrity of the tax information system by the establishment of online network operations between the tax authorities and other sections of the government. For example, links to the Ministry of Labor (former Council of Labor Affairs) and to the National Immigration Agency, with the transfer of the up-to-date status of foreigners and foreign labors to the tax offices via the FIA. Other links are to the Ministry of Health and Welfare, to the Construction and Planning Agency, Ministry of Interior, and to the Customs Administration, Ministry of Finance. Also, provision of channels to maintain the registration information of taxpayers and business.

F Integration of the VoIP system of the five national tax administrations

In order to reduce the telephone fees for long distance calls between the five areas of national taxation bureaus and the FIA, the Voice over Internet Protocol (VoIP) systems of the five bureaus were integrated. This service will be gradually extended to the other governmental units under the Ministry of Finance. The more calls we made via the integrated VoIP system, the more money we saved.

G IPv6 Upgrade Promotion Program

The Executive Yuan approved the IPv6 Upgrade Promotion Program to replace the Internet Protocol version 4 (IPv4) with Ipv6 as the communication protocol. The FIA is implementing this program and under the supervision of the Chief Secretary of the MOF with the goal to seamlessly achieve parallel operation by the end of 2015.



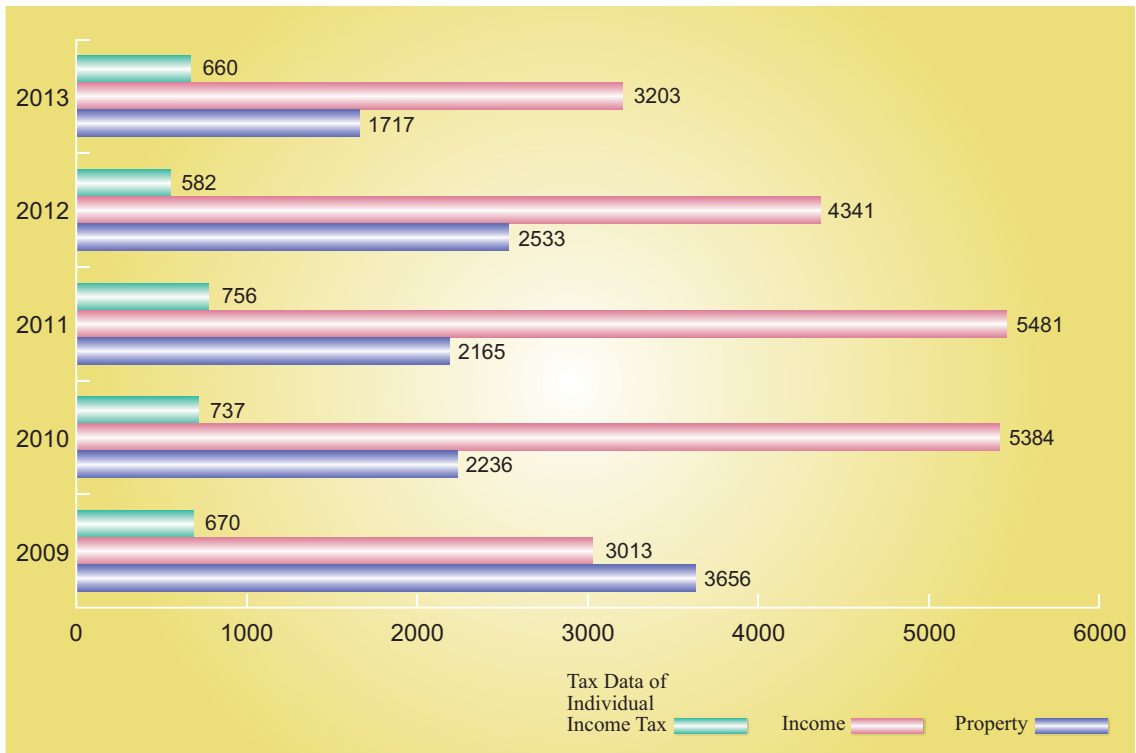
5. Data Inquiry and Retrieval

A Inquiry and Investigation of Property, Income Tax, and Tax Data of Individual Income Tax Registration

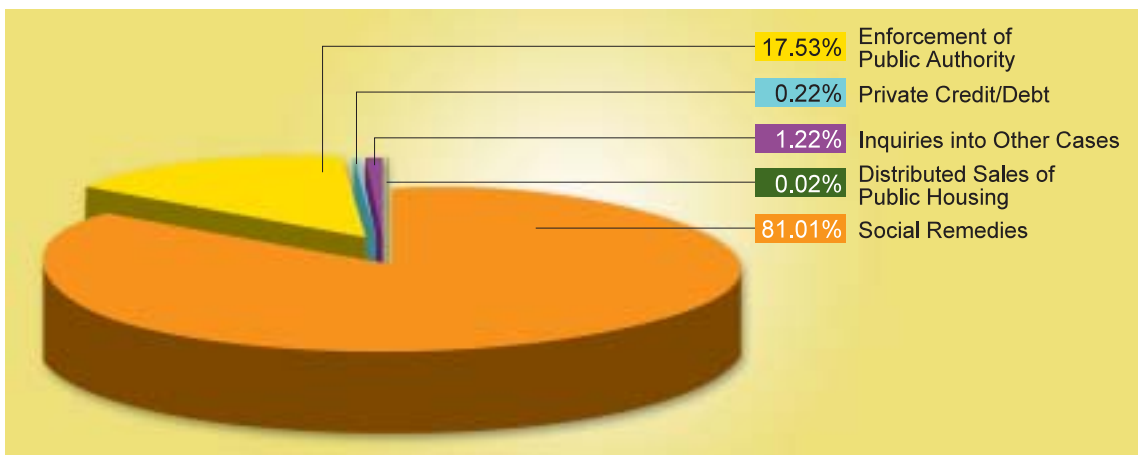
In accordance with Article 33 of the Tax Collection Act provides that each policy provides me with the need of the property tax, income and individual income tax registration, hereby 2009 to 2013 years will check the situation presented in the following figures:

Investigated cases of Property, Income Tax and Tax Data of Individual Income Tax

Unit: Ten Thousand Cases



Purpose of Inquiry on Property Tax, Income Tax and Tax Registration



a. Social Remedies

To be in co-ordination with the social welfare policies of the government, the FIA furnishes the data of properties and incomes as requested in response to inquiries:

Statistics of Inquiries about Social Remedies in 2013

Unit : Cases

Subject of the Inquiry and Institution Making the Inquiry	Cases Investigated
1. Early Retirement	3,580
2. Various Welfare Programs	33,963,561
Construction and Planning Agency, Ministry of the Interior-Grant for Residence and Marriage Welfare for Youth in 2013	1,943,590
Ministry of Health and Welfare- Verification for National Pension Insurers	317,944
Social and Family Affairs Administration Ministry of Health and Welfare-Family Daycare for Children under Two Years	754,974
Social and Family Affairs Administration Ministry of Health and Welfare-Unemployed Parents	679,338
Kaohsiung City Government Unemployed Parents	295,361
National Health Insurance Administration, Ministry of Health and Welfare Medical Relief	5,163,759
Bureau of Labor Insurance, Ministry of Labor-Basic Guarantee for National Pension	3,125,872
Veterans Affairs Commission, Executive Yuan-Regulation of Home-Care Arrangement for Veterans	418,594
Taipei City Government-Health Insurance Allowance for the Aged	79,964
New Taipei City Government-Health Insurance Allowance for the Aged	706,652
Taichung City Government-Health Insurance Allowance for the Aged	1,019,143
Taipei City Government - Allowance for Baby Nurturance	198,864
Committee of Indigenous Peoples, Taipei City Government-Allowance for Aboriginal Students	3,405
Ministry of Health and Welfare-e-Support for the Review of the Low-Incomes	13,287,284
Bureau of Labor Insurance, Ministry of Labor-Farmer Subsidies	51,358
Bureau of Labor Insurance, Ministry of Labor-Labor Pension Comparison	5,917,459
3. Tuition Loans & Scholarships	11,245,773
Ministry of Education-Tuition Loans	1,761,918
Ministry of Education-Educational Fund for Disadvantaged Children of Five Years of Age	3,476,043
Ministry of Education-Student Aid for Disadvantaged Minorities (Post-Compulsory Education Students)	5,515,117
Council of Agriculture, Executive Yuan Council of Labor Affairs, Executive Yuan-Scholarships for Children from Agricultural or Fishing Families	349,246
Council of Labor Affairs, Executive Yuan, - Scholarships for the children of Unemployed Laborers	11,917
Veterans Affairs Commission, Executive Yuan - Scholarships for Veterans' Children	31,162
Council of Indigenous Peoples, Executive Yuan -Scholarships for Indigenous Peoples	100,370
Total (1+2+3)	45,212,914

b. Enforcement of Public Authority

To help the government regulate offenses against administrative laws (e.g., irrigation law, fair trade law) or debt to the labor insurance premium or tuition loans, the FIA provides the inquiry and investigation information of property or income tax:

Statistics of Inquiries about the Enforcement of Public Authority

Unit : Cases

Subject of the Inquiry	Cases Investigated
Act on the Declaration of Property by Civil Servants	42,059
Contravention of Administrative Law (Cases Approved by the MOF)	9,730,278
General Cases (Cases Approved by the MOF)	11,483
Total	9,783,820

source: Outputs from the Individual Income Tax inquiry system



c. Private Credit/Debt

On the enactment of Article 33.8 of the Taxes and Levies Assessment Act on 21st May, 1997 to permit inquiry about the information of a debtor's property by a creditor, the FIA started to accept inquiries regarding information on the property and income of debtors. 123,803 inquiry cases were done in 2013 in total.

d. Inquiries into Other Cases

Statistics of Inquiries about Other Cases

Unit : Cases

Subject of the Inquiry and Institution Making the Inquiry	Cases Investigated
National Audit Office-Selective Investigation	9
Inquiries of assistance-National Taxation Bureaus	580
Council of Agriculture, Executive Yuan Council of Labor Affairs, Executive Yuan-Allowance for senior Farmers	398,445
Small and Medium Business Credit Guarantee Fund for the SME Credit Guarantee Loans	240,682
Guarantee Fund for Agricultural Credit	40,014
National Security Bureau-National Security Audit	24
Total	679,754

Source: Outputs from the Individual Income Tax inquiry system

e. Distributed Sales of Public Housing

To take care of the needs of those who do not own a house and desire to purchase or apply for public housing, the government provides loans at lower interest rates:

Statistics of Inquiries about Distributed Sales of Public Housing

Unit : Cases

Subject of the Inquiry	Cases Investigated
Application for Military Servicemen, Civil Servant and Teacher Housing	1,991
Joint Credit Information Center	7,778
Total	9,769

Source: Outputs from the Individual Income Tax inquiry system



B Delinquency in the Payment of Income Tax

Cooperate to investigate taxpayers applying for an extension of the time for the tax payment of the individual income tax return for whose unemployment benefit and vocational training living allowance were granted by the Bureau of Labor Insurance, Ministry of Labor.

C Inquiries into Information about Close Relatives

To support the operations of the government in clearing up over-due tax payment, 7,727 cases were investigated in 2013.

D Inquiries about business Tax Cases

In line with the need for the implementation of public authority by the government, such as via the Investigation Bureau, Ministry of Justice; the Courts; the National Police Agency, Ministry of the Interior; and the Customs Administration, Ministry of Finance:

Statistics of inquiries BusinessTax Cases

Unit : Cases

Subject of the Inquiry and Institution Making the Inquiry	Cases Investigated
Institution Business Input and Sales Information	1,048
BusinessTax Uniform Invoice Serial Number	27
Customs Import Declaration List	1
Customs Export Declaration List	1
BusinessTax Return Information	2,505
BusinessTax Registration Information	85,536
Unlisted Securities	28
Total	89,146

Source: Outputs from the businessTax inquiry system



E Provision of files for other Government Institutions

Five areas of National Taxation Bureaus are required to provide all the information to prosecution and investigation authorities of Ministry of Justice.

Information Provided to Investigation and Presecutor Authorities

Unit : Cases

Subject of the Inquiry and Institution Making the Inquiry	Cases Investigated
Investigation Bureau, Ministry of Justice-Interest Income	13,300,450
Investigation Bureau, Ministry of Justice-Salary Income	10,426,802
Investigation Bureau, Ministry of Justice-Name of the Company	3,887,520
Total	27,614,772

Source: Outputs from the Individual Income Tax inquiry system



V



Major Events in 2013

Major Events

January 2013

- January 1 'The Regulations Governing the Organization of the Fiscal Information Agency, Ministry of Finance' and 'The Provisions for Order of Service and the Tables for Ranking and Assignment of the Work Positions of the Fiscal Information Agency' came into effect.
- January 3 A ground opening in the lobby for the new office of the FIA was held, the Minister Mr. Chang Sheng-Ho and honorable guests were invited.

February 2013

- February 3 The Minister Mr. Chang Sheng-Ho made a visit to the FIA on the occasion of the lunar new year.

March 2013

- March 12 A speech on 'The Practice of the Civil Service Protection Act' was given by Mr. Wu Teng-Chuan, a former member of the Civil Service Protection and Training Commission.
- March 21 Ms. Tung Ya-Lai, the Chief Secretary of the FIA retired.
- March 26 The Information Security Management System (ISMS) of the FIA passed the 6th reassessment of ISO 27001.

April 2013

- April 10 A speech on 'The Know-How of the Civil Service Ethics Act Against Corruption' was given by Mr. Lee Tze-Chiang, a civil service ethics officer of the National Communications Commission.
- April 16 Thirty-one officers from the Jiangsu Local Taxation Bureau visited the FIA on a study tour.
- April 23 A seminar on 'The Reform of Taxation Information and Its Relationship to Civil Service Ethics Against Corruption' was given by Mr. Ho Chuan-De, the Director of the Department of Information Management of the National Development Council (formerly named as the Research, Development and Evaluation Commission), Executive Yuan.



- April 29 A speech on 'The Study of The Privacy Law' was given by Mr. Lee Shih-De, a section manager of the Department of Legal Affairs of the Ministry of Justice.
- April 30 A speech on 'Sexual Harassment and the Prevention of Sexual Assault' was given by Ms. Huang Juei-Ju, the Chairwoman of the Taiwan Association of Read and Social Care.

May 2013

- May 3 A speech on 'The Magic System of Our Bodies' was given by Mr. Tu Chen-An, a general manager of the Marksman Corporation.
- May 16 The celebration of the 45th anniversary of the FIA in the 11th floor meeting hall was held, and a press conference for the 'e-Tax Portal Web' was held to demonstrate the operation of the system as well.
- May 27 Three members from the Finance Committee of the Legislative Yuan, visited the FIA for observation of e-filing, e-invoices, etc.
- May 30 Twenty trainees from the ICT Excellent Camp were led by Mr. Chang Tzu-Shing, a secretary of the Department of International Cooperation and Economic Affairs, Ministry of Foreign Affairs in a visit to the FIA.

June 2013

- June 11 Mr. Nguyen Phu Tien, Minister of the Ministry of Information and Communications, Vietnam and twelve members of staff visited the FIA.
- June 13 A speech on 'The Future Trends in the Gold Market' was given by Mr. Yang Teng-Lee, an assistant manager in the Department of Precious Metals, Bank of Taiwan.
- June 20 Speeches on 'The Issues in Civil Service Ethics' were given by Mr. Chian Shih-Chieh, a investigator of the Bureau of Investigation, Ministry of Justice, and Mr. Chu Cheng-Sheng, a director of Sungshan Station House of the Investigation Branch in Taipei.
- June 21 Forty-five participants in 'The 29th International Taxation Academy' visited the FIA for observation and study of e-filing, e-invoices, etc.

July 2013

- July 1 Mr. Hsieh Dong-Liang assumed the post of Chief Secretary of the FIA and Mr. Lu Jyn-Shan assumed the post of Director of Comprehensive Planning Division.
- July 3-5 'The 16th Meeting on Connecting All of the Local Taxation Bureau of Taiwan' was held at the Taxation Bureau, Kinmen County with 40 representatives from local taxation bureau in attendance.
- July 9 A second group of thirty-one officers from the Jiangsu Local Taxation Bureau visited the FIA on a study tour.
- July 16 Mr. Hsu Shu-Ke assumed the post of Director of the Secretariat and Ms. Han Chin-Hua assumed the post of Director of the Support Services Division.

August 2013

- August 1-2 A two-day workshop for the 'e-Invoice Project' was held at the labor recreation center of Tainan City.
- August 29-31 The male team of the FIA attained the second place in the 32nd Badminton Tournament, the Ministry of Finance.

September 2013

- September 3 'The Information and Communications Security Propaganda Seminar of the MOF' was held by the FIA, and the Minister Mr. Chang Sheng-Ho came in person to provide some comments, with representatives of subordinate agencies in attendance.
- September 11 'The e-Invoice Project' was honored with the best project award by the Ministry of Interior and Mr. Su Chun-Jung, Director-General of the FIA accepted the award on behalf of FIA.
- September 12 'The Information and Communications Security Propaganda Seminar of the MOF' was held by the FIA, with representatives of all of the local taxation bureau in attendance.
- September 14 The Information Security Management System (ISMS) of the FIA passed reassessment of ISO 27001.
- September 18 A speech on 'The Ethics of Public Service' was given by Mr. Yen Chiu-Lai, Deputy-Minister of the Directorate-General of Personnel Administration, Executive Yuan.
- September 20 'The Taxation Information System Reform Project' was honored with the Best Project Award by the Project Management Institute (PMI) and Mr. Su Chun-Jung, Director-General of the FIA accepted the award on behalf of the FIA.

October 2013

- October 14 'The e-Invoice Project' was honored with the 'Standardization and Contribution Award' by the Ministry of Economic Affairs and Mr. Su Chun-Jung, Director-General of the FIA accepted the award on behalf of the FIA.
- October 18 'The 12th Open Foundry Forum' was held by the Chinese Open Systems Association (COSA) and Mr. Su Chun-Jung, Director-General of the FIA was invited to give a speech on 'The Convenience of e-Invoices'.
- October 23 A speech on 'The Congressional Public Relationship' was given by Mr. Lee Ting-Wen, the Director of the Department of Accounting, College of Commerce, Kainan University.
- October 23 Twenty officers from the Taiwan Stock Exchange Corporation led by Mr. Lee Sush-Der visited the FIA.



November 2013

- November 8 A press conference in the lobby for 'The Accomplishment of the Two-Hearts of e-Invoices Biking around Taiwan' was held.
- November 16 The 2013 e-Invoice Presentation in the 11th floor meeting hall was held, and the Minister Mr. Chang Sheng-Ho presented awards to excellent e-Invoice businesses, with social welfare groups invited to present entertainment performances.
- November 17 'The e-Invoice Project' was honored with the 'Best Benchmarking Enterprise Award' and the 'Best Practices Competition Award' by the Project Management Institute-Taiwan Chapter (PMI-TC) and Mr. Su Chun-Jung, Director-General of the FIA accepted the award on behalf of FIA.
- November 20 A speech on 'The Secrets of Official Business and Privacy Law' was given by Mr. Lee Tze-Chiang, a civil service ethics officer of the National Communications Commission.
- November 21 'The e-Invoice Project' was honored with an honorable mention for 'Best Systems' in 2013 awarding ceremony, Executive Yuan, and Mr. Liu Chun-Kun, a chief of the FIA accepted the award on behalf of the FIA.
- November 21 Twenty-five guests from the Middle-East led by Mr. Chien Hung-Wei, a deputy-director of the National Development Council (formerly named as the Research, Development and Evaluation Commission), Executive Yuan, visited the FIA.
- November 24 An Outing to the Neihu mountain trails was held for eighty-two employees and their families.
- November 30 'The e-Invoice Project' was honored with the 'Top 100 Innovation Award' in 2013 by IT-Month and Mr. Su Chun-Jung, Director-General of the FIA accepted the award on behalf of the FIA .

December 2013

- December 3 Mr. Hsu Shu-Ke, Director of the Secretariat retired.
- December 4 The assessment team of 'The 6th Government Service Quality Award' from the Ministry of Finance inspected the site of the FIA for field verification.
- December 4 Twenty international guests were led by Mr. Wu Chia-Chih, the Deputy-Director of the National Information and Communications Security Taskforce in a visit to the FIA.

- December 4 A third group of thirty-one officers from the Jiangsu Local Taxation Bureau visited the FIA on a study-tour.
- December 6 The 2013 e-Invoice workshop in the 11th floor meeting hall was held, and eighty participants were later led by Mr. Su Chun-Jung, Director-General of the FIA in a visit to the Songshan Cultural and Creative Park
- December 11 A speech on 'How to Breathe to Clean Our Lungs' was given by Ms. Kung Yung-Han, a teacher of the Department of Biotechnology of Vanung University.
- December 11-12 An outing for fifty-nine employees to visit the Taiwan Stock Museum was held in two tours.
- December 18 'The e-Invoice Project' was honored with the 'Cloud Innovation Award in 2013' by the Cloud Computing Association in Taiwan and Mr. Su Chun-Jung, Director-General of the FIA accepted the award on behalf of the FIA.
- December 23 An outing to visit the Taiwan Stock Museum, the Local Taxation Bureau, Yilan County and the King Car Whiskey Distillery was held for thirty-one employees.
- December 26 A year-end party in the 11th floor meeting hall was held during which a lucky draw was conducted.
- December 31 The MOF was honored with a rating of the 'Excellent Performance' under the 'Internet Protocol Upgrade Promotion Program' of the National Information and Communications Initiative Committee (NICI) and Mr. Chen Fu-Yang, Deputy Director-General of the FIA accepted the award on behalf of the MOF.

