

1. National Taxes

A 'The Independent Verification and Validation Project' of 'The Taxation Information System Reform Project'

- a. The FDC signed the outsourcing project contract with the vendor on 12th February, 2010. The major scope of the project includes the verification of IT services and related validation jobs.
- b. The FDC accomplished the document review of 13 operational guidelines and accomplished 127 hours of training and 33 hours of demonstrations.
- c. The operation staff team of the FDC held 19 meetings with the project team, during February to December, 2010, to monitor and control the progress of the project to ensure that the project goals can be achieved on time, according to scope and budget.

B e-Filing

- a. Individual Income Tax Returns e-Filing via the internet

Filing of Individual Income Tax Returns (2006 to 2010)

Taxation Year	Type	e-Filing		Manually		2D Barcode Returns		Total
		No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases
2006		2,230,061	42.86	1,918,717	36.88	1,054,294	20.26	5,203,072
2007		2,456,424	46.77	1,914,760	36.46	881,082	16.78	5,252,266
2008		2,689,042	50.06	1,835,168	34.16	847,844	15.78	5,372,054
2009		3,128,515	57.24	1,678,054	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

Source: Outputs from the Individual Income Tax Declaration System

- b. Individual Income Tax With-Holding / Exemption and Dividend Data Electronic Declaration Operation

Number of Cases Declared of With-Holding/Exemption and Dividend (2006 to 2010)

Taxation Year	Type	e-Filing		Manually		2D Barcode Returns		Total
		No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases
2006		722,490	89.42	77,306	9.57	8,206	1.02	808,002
2007		763,309	92.81	52,467	6.38	6,660	0.81	822,436
2008		773,638	92.73	46,114	5.53	14,574	1.75	834,326
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

Source: Individual Income Tax With-Holding/Exemption and Dividend Data Electronic Declaration Operation System

c. Provisional Income Tax Return Tasks

Business Income Tax Returns Collected (2006 to 2010)

Taxation Year	Type	e-Filing		Manually		Total
		No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases
2006		694,939	96.97	21,689	3.03	716,628
2007		707,026	97.12	20,960	2.88	727,986
2008		716,219	97.24	20,333	2.76	736,552
2009		715,877	97.16	20,944	2.84	736,821
2010		721,032	97.00	22,302	3.00	743,334

Source: Files provided by each NTA

d. Provisional Income Tax Return Tasks

Provisional Income Tax Returns Collected (2006 to 2010)

Taxation Year	Type	e-Filing		Manually		Total
		No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases
2006		355,622	100.00	0	0.00	355,622
2007		366,932	100.00	4	0.00	366,936
2008		371,724	100.00	1	0.00	371,725
2009		38,414	100.00	3	0.00	38,417
2010		30,835	100.00	0	0.00	30,835

Source: Files provided by each NTA

e. Business Tax via e-Filing

e-Filing provides for the handling of the filing of business tax via e-filing services via the internet.

Statistics of Business Tax (2006 to 2010)

Taxation Year	Type	e-Filing		Manually		Media		Total
		No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases	Rate %	No. of Cases
2006		420,402	57.29	260,619	35.52	52,766	7.19	733,787
2007		613,558	83.34	109,632	14.89	13,028	1.77	736,218
2008		670,377	91.07	63,590	8.64	2,185	0.30	736,152
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

Source: Output from the Business Return Management Task

C Individual Income Tax e-Deduction Statement Project

To allow for the auditing of automated deductions by the national tax administrations and to provide for taxpayer e-deduction statement downloads to reduce the cost of individual income tax filing.

D Establishment of the 'e-Filing and Payment System of Individual Income Tax for Aliens'

a. Foreign taxpayers can file tax returns and pay individual income tax via the internet or electronic media.

b. In May, 2010, 14,733 cases were filed via the internet or electronic media, representing 13.4% of the total of 109,887.

E Smart Tax Case Selection

a. Over 5,488 hours of training courses (including an introduction to the fundamentals of basic data mining, data mining tool practices, etc.) were held in this year.

b. Six value-added tax case selection models were built and were used in 11 branches of the national tax administrations (the original goal was five branches).



F The Project for the Use of Computer Case Selection in the Investigation of Business Tax in Accordance with 'The Key Work Plans in the Year 2009 to Combat Tax Evasion and Maintain Taxation Fairness,' the FDC provided new programs to the five national tax administrations for use in investigation. The programs are used to support the following:

- a. Use of the summarized data of business tax returns to strengthen the investigation of suspicious business entities.
- b. Investigation of business entities who file business tax and include a high percentage of tax-exempt items, or issue taxable invoices instead of tax-exempt invoices.
- c. Investigation of tax evasion of input and output sales amounts.

G Comprehensive Promotion of the Use of e-Invoice Applications Project

- a. 'Comprehensive Promotion of e-Invoice Applications Project' was drafted and was approved by the Executive Yuan on 1st April, 2010.
- b. The promotion and education team held 85 promotional conferences and training courses for 3,774 people through collaboration with tax offices, the Ministry of Economic Affairs, and industry and trade units.
- c. Trial operations of the issue of e-invoices in physical stores were started in 27 stores (including those of Px-mart stores, President Chain stores and Hi-life stores).
- d. Work to fulfill the annual execution target. The fulfilled KPIs are as following:

Key Performance Indicator	Original Target	Fulfilled Target
No. of companies using B2B e-invoices (2006-2010)	24,000	29,893
No. of B2B e-invoices	5,500,000	6,795,878
No. of companies using B2C e-invoices (2006-2010)	75	110
No. of B2C e-invoices	55,000,000	62,952,032

