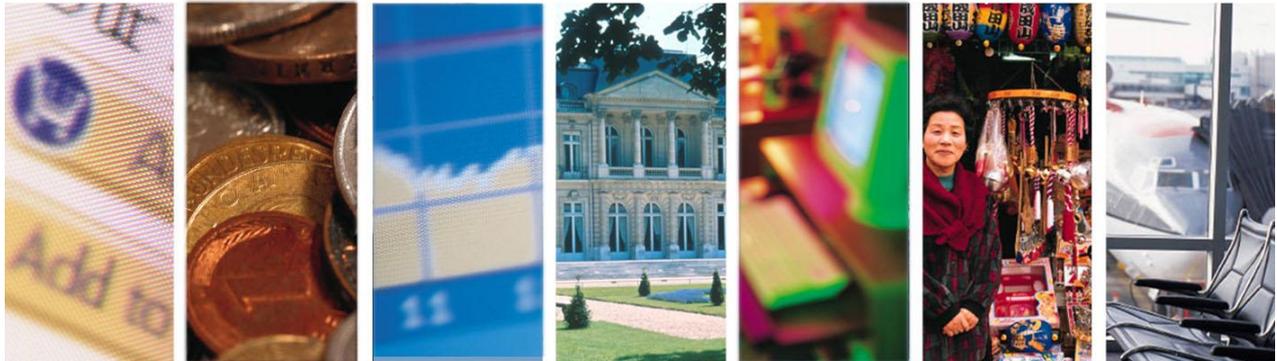




ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT



FORUM ON TAX ADMINISTRATION: TAXPAYER SERVICES SUB-GROUP

Information Note

Framework for the Provision of Electronic Services to Taxpayers

March 2010



CENTRE FOR TAX POLICY AND ADMINISTRATION

ABOUT THIS DOCUMENT

Purpose

This information note provides a framework of electronic service approaches (hereafter, referred to as ‘e-services’) and their associated strategic objectives, benefits and considerations against which revenue bodies can evaluate their own approaches and/or use as a guide for development of future e-services.

Background to the Forum on Tax Administration

The Forum on Tax Administration (FTA) was created by the Committee on Fiscal Affairs (CFA) in July 2002. Since then the FTA has grown to become a unique forum on tax administration for the heads of revenue bodies and their teams from OECD and selected non-OECD countries.

In 2009 participating countries developed the *FTA vision* setting out that... *The FTA vision is to create a forum through which tax administrators can identify, discuss and influence relevant global trends and develop new ideas to enhance tax administration around the world.*

This vision is underpinned by the FTA’s key aim which is to..... *improve taxpayer services and tax compliance – by helping revenue bodies increase the efficiency, effectiveness and fairness of tax administration and reduce the costs of compliance.*

To help carry out its mandate, the FTA is directly supported by two specialist Sub-groups—Compliance and Taxpayer Services—that each carry out a program of work agreed by members. Both OECD and selected non-OECD countries participate in the work of the FTA and its Sub-groups.

The Taxpayer Services Sub-group exists to provide a forum for members to share experiences and knowledge of approaches to taxpayer service delivery, in particular through the use of modern technology. To achieve this objective, the Subgroup’s mandate calls for it to:

- 1) periodically monitor and report on trends in taxpayer service delivery, with a particular focus on the development of electronic/online services;
- 2) examine ways to promote the uptake and use of electronic services by revenue bodies;
- 3) examine options for cross-border administrative simplification and consistency; and
- 4) assist, as appropriate, other groups of the CFA.

Caveat

National revenue bodies face a varied environment within which to administer their taxation system. Jurisdictions differ in respect of their policy and legislative environment and their administrative practices and culture. As such, a standard approach to tax administration may be neither practical nor desirable in a particular instance.

The documents forming the OECD tax guidance series need to be interpreted with this in mind. Care should always be taken when considering a country’s practices to fully appreciate the complex factors that have shaped a particular approach.

Inquiries and further information

Inquiries concerning any matters raised in this information note should be directed to Richard Highfield (CTPA Tax Administration and Consumption Taxes Division) at e-mail (Richard.highfield@oecd.org).

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I. Background and context

Prior surveys on the use of technology in taxpayer service delivery

1. At the 2007 meeting of the FTA Taxpayer Services Sub-group there was agreement in principle to carry out a survey on trends in the use of technology by revenue bodies in service delivery.
2. The first survey conducted in this area was completed (but not made publicly available) in 2000/01 and was “structured” having regard to the Ottawa Taxation Framework Conditions (re taxpayer service) that evolved from the Committee on Fiscal Affairs’ (CFA) work in the late 1990’s on electronic commerce. At the time, the work was progressed under the guidance of the Electronic Commerce Subgroup of the Forum on Strategic Management (FSM). A second survey, launched in April 2004 by the newly created Forum on Tax Administration, covered similar territory but made some attempts to expand the focus to include some broader strategic issues around taxpayer service delivery. The subject matter covered by the 2004 survey was as follows:
 - Strategic approach to service delivery.
 - Investments in information technology.
 - Use of the Internet (fairly limited coverage reflecting relative lack of maturity in most countries).
 - Electronic filing, payment and refunds.
 - Use of email (fairly limited coverage reflecting relative lack of maturity in most countries).
 - Remote use of electronic systems by revenue body staff.
 - Telephone inquiry services.
 - Whole of government service delivery approaches (fairly limited coverage reflecting relative lack of maturity).
3. The findings of this survey were published in February 2005.¹

The focus of the Forum’s future survey work

4. Following the 2007 meeting, the Secretariat initiated discussion with officials of the Australian Taxation Office (that had assisted with design of the 2004 survey) to gather some preliminary ideas for this work. Arising from these discussions a view emerged that rather than immediately initiating another survey along the lines of the previous effort, there would be value in first attempting to document in a generic way leading practice in the provision of e-services. *The objective of this would be to provide a set of guidance which member countries could use to assess their own approaches, and which could be used within the Subgroup for consideration of future plans for e-services and any cross-country survey work deemed helpful by the Sub-group.* With this in mind, a draft discussion note “*Framework for the Provision of Electronic Services*” was prepared and was subject to discussion with Sub-group members at their October 2008 meeting. This framework document was welcomed by members and discussion led to further ideas for its enhancement, that have been incorporated in this revised version.
5. This note is being released in conjunction with the publication of the Forum’s report (and accompanying tabulations) titled ‘*Survey of Trends and Developments in the Use of Electronic Services for Taxpayer Service Delivery*’.

¹ See ‘*Survey of Trends in Taxpayer Service Delivery Using New Technologies*’, FTA (February 2005).

II. Introduction

What are “e-services”?

6. Within this paper, the term ‘e-services’ is intended to cover all electronic interactions and includes telephone (fixed line & mobile)², email³ and Web (internet, portals, web services). E-services can generally be defined within one of four categories of “maturity”, as described in Table 1 below.

Table 1. A framework of e-services

Category	Description	Confidentiality of data & Access Considerations
Information	One way information flow providing static information about the agency. Includes publications (e.g. legislation, policy documents), instructions, and education/marketing materials. Interaction is limited to inquiry & search function.	Publicly available/non-confidential data No access restrictions
Interaction	Two-way information flow which does not alter systems or data. This includes expanded search and filtering capabilities and services such as calculators where all data is entered by user (e.g. to assess eligibility for benefits or determine tax payable).	Publicly available/non-confidential data No access restrictions
Transaction	Any exchange which alters data holdings or provides access to taxpayer data. Includes activities such as enquiries involving taxpayer data, use of calculators pre-populated with taxpayer data, filing returns and making payments.	Confidential data Access restricted to specific individual taxpayers (or their nominated representatives).
Integration/ Transformation	Exchange of information between different government agencies regarding a specific user (individual, business, organisation). For example, change of address advised only once by user and then shared across agencies.	Confidential data Access restricted to specific individual taxpayers (or their nominated representatives).

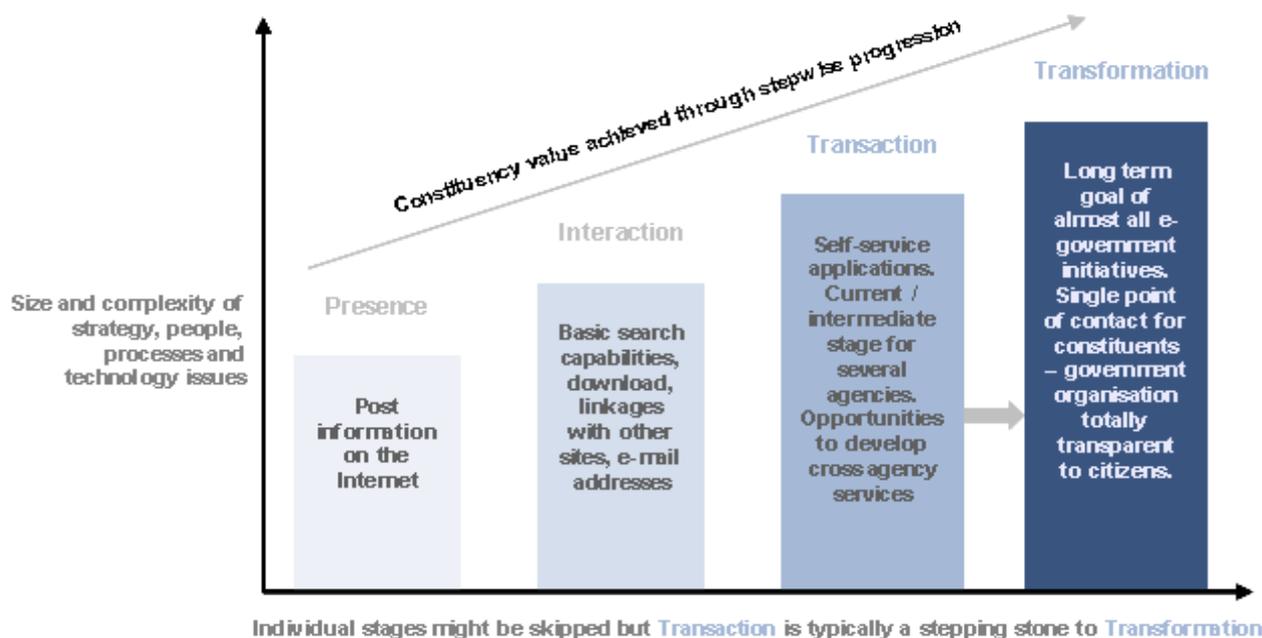
Assessing e-government maturity

7. This section provides an example of an e-government maturity model, and associated definitions, which organisations, including revenue bodies, may choose to use as a tool to assess their level of maturity in the provision of e-services. As this is only one example of a possible model, and is aimed at the overall e-government level rather than the delivery of specific taxpayer services e-services, it will need to be interpreted more narrowly in terms of any assessment regarding the provision of a revenue body’s taxpayer e-services.

² Whilst traditional phone services (e.g. person-to-person call centres) are not generally defined as “e-services”, they have been included as the survey (based on this framework) will investigate the full range of service offerings provided via phone.

³ Whilst email is included under the umbrella of e-services, it has traditionally proved to be a problematic channel, due to security limitations and high user expectations regarding response times.

Figure 1: Example e-government maturity model 4



8. The basis for this maturity model are key concepts relating to:
 - Transaction processing;
 - Extending the degree of fulfilment that can take place online;
 - Integration and collaborative processing;
 - Citizen-centricity; and
 - Whole-of-government delivery architecture developed with the user in mind and driving integration.
9. The stages of e-government maturity reflect the increasing capability of e-government solutions. Progression through the stages:
 - will deliver more value to users but also comes with increased complexity and development costs, and
 - represents increasing maturity in a number of dimensions:
 - static content to dynamic content
 - publishing to interaction
 - generic dialogue to individualised dialogue
 - simple transactions to complex transactions
 - inclusion of authenticated transactions
 - partly automated processes to fully automated online processes
 - agency-aligned delivery to citizen-centric delivery, and
 - agency-aligned services to cross-agency services.

⁴ Based on *The Four Phases of E-Government in the Public Sector Market*, Gartner, 28 August 2000

Table 2. E-government maturity characteristics ⁵

The phases listed below are generally cumulative. For example, the provision of a transaction service does not remove the need for an interaction service.

Phase One - Online Presence

This phase is represented by agencies raising awareness of their purpose and services through a web presence. It may simply be information that outlines what the agency does, what services it provides and how it operates. It may also include reference to contact points if communities require further information or wish to conduct business with the agency. There are few opportunities for community interaction or two-way communication without resorting to use of traditional channels of service delivery, nor can communities manipulate information or interact with it in any other way than simply viewing it.

Phase Two – Interaction

This phase represents the primary development of community's interacting with government via online facilities. Whilst communities may still access information and services through traditional channels, such as by phone or in person, phase two represents an environment in which communities can order and execute services online. They may also manipulate information databases, use search mechanisms and linkages to other related sites. This phase also introduces the beginning of common entry points that aim to remove the need for communities to understand government structures to access government services, and deliver the first high-volume transactions in limited instances.

Phase Three – Transaction

In this phase, communities are able to equally access government services via many channels (e.g. online, wireless or PDA technologies) of delivery and agencies have begun to reform their business processes such that services can be delivered via a variety of channels as a matter of course. This will increase the convenience factor for communities and businesses using government services. There is a greater removal of the need for communities to understand the structures of government as increased shared services and collaboration between agencies has resulted in greater information sharing and service initiation. Privacy and security concerns have been effectively managed such that civic and industrial trust in e-government services is high. Personalisation of service delivery is commonplace, and the value proposition of services has been maximised such that take-up of e-government initiatives is consistently high. Communication between communities/ business and government is now more akin to two-way conversation and the beginning of proactive service delivery is being seen.

Phase Four – Transformation

This phase is characterised by a seamless interface and integrated service delivery model in which the relationship between communities, government and business has been transformed. Multiple channels of service delivery are a given and new means of service delivery are being continuously explored. The mechanisms of e-government are taken for granted as part of everyday life and e-government as a concept effectively 'disappears' to become simply 'government'. Citizens and business have an implicit trust and confidence in their engagement with government, and the concept of 'government as a servant of the public' is truly realised as personalised, pro-active service delivery mechanisms abound. The distinctions between agencies at all three levels of government

⁵ Ibid

(local, state, federal) are notional as collaborative service delivery is not only the norm, but a means of achieving and delivering previously unconceived levels of service. Government services are fundamentally personalised, independent of channel of delivery or service provider and frequently transparent. Government itself is highly accountable, and the mechanisms for soliciting feedback from communities have been replaced by mechanisms that afford communities a highly participative role in decision-making, direction and policy. Key dependencies for this phase include:

- Agency collaboration to develop integrated, customer-driven processes requiring the re-engineering of all business processes. It will be particularly important for governments to “virtually” unify existing customer service centres so that all customer/constituent contact can be identified to the customer of record and transformed into standard input to state workflow. The goal should be to work toward the development of an automated enterprise workflow.
- The implementation of new applications data structures developed based on the notions of client-centricity, shared services, and shared infrastructure.

What is an “electronic service approach”?

10. The term ‘electronic service approach’ is not about defining particular e-services such as web sites, interactive voice recognition systems, portals and the like but rather is intended to encompass the higher principles that drive the provision of electronic services. For example, an electronic service approach to enable citizens to update their own data is about making a conscious decision to recognise that much of the data held about citizens is fundamentally their data and that they have a right to access it and are best placed to know if it is correct or not. The actual e-services that facilitate this approach may be broad and varied (telephony, internet, and natural systems, etc).
11. The following pages detail a range of electronic service approaches:
 - Offering electronic services (overarching rationale & drivers)
 - Exposing data to citizens
 - Enabling citizens to update their own data
 - Publishing a schedule of electronic services
 - Applying methods to increase/maintain take-up of electronic services
 - Using intermediaries to deliver electronic services
 - Integrating services with standard business and other financial, payroll and accounting systems
 - Providing personalised/ differentiated electronic services
 - Joined-up government/whole-of-government electronic services
12. For each approach, the framework describes suggestions for their:
 - *Strategic objectives:* Why a particular approach may be adopted - the drivers and policy imperatives.
 - *Benefits:* The type of improvements that would be expected in areas such as service, compliance, data quality, organisational/ public sector capability and administrative/client costs.
 - *Considerations:* Factors that need to be in place to deliver the e-service approach and potential danger areas.

ELECTRONIC SERVICE APPROACHES

Offering electronic services

This section provides an outline of the overarching rationale and drivers for moving towards providing electronic services and underpins the various electronic service approaches detailed in the following pages.

Strategic Objectives

- Provide efficient services:
 - reduced processing cost per enquiry/transaction,
 - improved turnaround times.
- Significantly reduced cycle times (real-time finalisation a possibility for some taxation events) and certainty of outcome.
- Provide a one-stop shop (single view of all taxpayer information).
- Citizen-focussed delivery of services.
- Make dealing with the administration easier.
- Provide choice - citizens have another channel available to them in addition to more traditional channels such as face-to-face, phone, mail and fax.
- Meet legislative obligations (i.e. where access to e-services is a legal right for citizens).
- Provide “greener” solutions to deliver services.

Benefits

- Enables significantly increased availability (e.g. possibility of 24 hours-a-day, 7-days-a-week operation).
- Citizens can interact at a time (and place) that is convenient to them – services when required.
- Provides faster services (via direct access to information & improved processing times).
- Provides certainty to citizens through real-time finalisation of transactions.
- Improved accuracy – online data validation prior to submission.
- Reduction in the volume of basic enquiries as citizens can access information more readily.
- Savings in processing areas allows resources to be redeployed to alternative activities such as client contact/education or compliance.
- Allows for better personalisation and differentiation of services.
- Improved accessibility for older citizens, citizens with disabilities and those that are geographically isolated.
- Provides building blocks for joined-up/whole of government services.
- Reduction in carbon footprint (via reduced storage/printing/use of paper).

Considerations

- Provision of e-services needs to be part of an integrated channel strategy.
- Services offered need to align with maturity of electronic interaction in the community. For example:
 - does a demand for electronic services actually exist (or can you “build it and they will come”)
 - does the community have access to the required technology to access the services (either directly or via alternative methods such as kiosks)
 - do the proposed services align with the level of computer-literacy in the community?
- Capacity to provide and maintain adequate infrastructure (i.e. hardware, software/applications and transmission media) to store, transmit & validate large volumes of data in a real-time environment.
- Requires a robust security strategy (which meets legislative requirements) to maintain confidentiality, integrity and availability of data and systems. Security strategy needs to address authentication⁶, authorisation⁷ and non-repudiation⁸ as well as areas such as disaster recovery and business continuity.
- Need ability to measure success by base-lining existing services prior to developing electronic services and establishing service standards.
- Accessibility - services offered need to conform to relevant policies (e.g. W3C guidelines, government policy) to maximize availability to citizens with disabilities or technological constraints.
- Necessitates active monitoring of external environment to keep pace with technology developments (don't need to operate at leading edge, but need to keep services aligned with overall direction).
- Need to have appropriate support arrangements in place (e.g. to provide guidance when problems are encountered using an electronic service, to explain how to get enabled to use electronic services, etc). These support arrangements may need to be available for extended hours and could be a mix of phone (e.g. helpdesk) and e-support (e.g. email, web, static online help). May be provided in-house or externally. A lack of suitable support may adversely impact take-up of existing and future e-services, particularly in relation to new/inexperienced/infrequent users of these services.

⁶ **Authentication** = verification of user identity (how a system knows the user is who they say they are) – may be password-based, device-based or biometric.

⁷ **Authorisation** = once authenticated, how a system decides what the user can do – may be based on permissions, user profile, etc.

⁸ **Non-repudiation** = the ability to prove that a transaction originated from a specific person –commonly involves use of digital certificate/signature.

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
<p>Providing secure and easy access</p>	<ul style="list-style-type: none"> ▪ E-services are secure but still easy to use. 	<ul style="list-style-type: none"> ▪ Information is protected. ▪ Public trust and confidence in administration/government is maintained. 	<ul style="list-style-type: none"> ▪ Need to have a documented (and regularly reviewed/updated) e-services security policy which incorporates confidentiality; integrity; availability; legitimate use (identification, authentication, and authorization); auditing or traceability; and non-repudiation. ▪ Need to ensure alignment of security requirements across channels. ▪ It is almost inevitable that security will be breached at some point, so it is necessary to have robust procedures/processes (i.e. incident management plan) in place for dealing with such an eventuality. ▪ Levels of authorisation and authentication need to be appropriate to the level of risk. For example, there may be different authentication and authorisation requirements depending on user profile, type of transaction, etc.
<p>Exposing data to citizens</p> <p><i>Allowing citizens to see selected data that the administration holds about them.</i></p>	<ul style="list-style-type: none"> ▪ Increased transparency - by providing access to certain information and enabling a better understanding of how the administration operates. ▪ Open & accountable. ▪ Citizen can see data in same way revenue agency sees it. 	<ul style="list-style-type: none"> ▪ Influence taxpayer relationship by enhancing their confidence in administration. ▪ Taxpayer better understands their tax position. ▪ Reduction in number of enquiries as citizens can access some of their own information. ▪ Better communication during enquiries as citizen and client service representative can see the same information. 	<ul style="list-style-type: none"> ▪ Need to critically assess the data to be displayed. For example, client-initiated data relating to registration, accounting and filing activities would commonly be considered appropriate to display, whereas data generated by the tax administration (automatic write-offs, compliance/risk rating information, file notes, audit logs, etc) would generally not be considered appropriate to display. <p>Decisions not to display data such as automatic write-off transactions can raise issues around how to represent the account to the citizen so that these “gaps” in account transaction history do not cause confusion (e.g. if individual transactions displayed don’t appear to align with overall account balance). There is also the issue that suppressing such data means the citizen and revenue agency do not see the same data (this could be resolved by providing client service operatives with an option for a</p>

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
			<p>“client view” of the account).</p> <ul style="list-style-type: none"> ▪ Need appropriate security controls (PKI, Pin/Password, shared secret, etc) for authentication and authorisation. ▪ Need to have confidence that data items are correct and up-to-date. May require dedicated and continuous data checking & cleansing activities. ▪ Exposure of data may enable citizens to become aware that the administration does not know certain information relating to their taxation affairs. This knowledge could potentially adversely impact compliance through non-disclosure or overstatement/understatement of amounts in tax returns, etc.
<p>Enabling citizens to update their own data</p> <p><i>Allowing citizens to change (directly or indirectly) selected data that the administration holds about them. This flows from the preceding approach of exposing selected data to citizens.</i></p>	<ul style="list-style-type: none"> ▪ Citizen owns their data (revenue body acts as custodian of the data). ▪ Increased transparency – by providing update access to certain information. 	<ul style="list-style-type: none"> ▪ Improved data quality as citizens can correct any inaccuracies (directly or via amendments to previous filings/returns). ▪ Citizen “ownership” of data contributes to improved compliance (more likelihood that they’ll ensure it’s correct if they have access to it/own it). 	<ul style="list-style-type: none"> ▪ Need to determine what data will be made available for updating by the citizen – this would normally only be data that was originally provided by the citizen (e.g. address, contact details, bank account details, account transactions generated via forms/filings). ▪ The method of update would depend on the type of data. For example, it may be appropriate for contact details (e.g. address, phone number, email address) to be directly updateable, whereas accounting data (individual account postings) would need to be updated via the filing of an amended form/return. ▪ Need appropriate security controls in relation to authentication, authorisation and non-repudiation (e.g. digital certificates (PKI)). ▪ Additional authentication processes may be appropriate for some/all update transactions. For example, password sent to mobile phone to be used to confirm update transaction or post-update SMS/email to advise that update has been submitted (so that the citizen is alerted if an unauthorised update has occurred). The nature/level of any additional authentication should be relative to the risk of the transaction. ▪ Requires application of security filters and appropriate

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
			controls around high-risk transactions/combinations of transactions (e.g. a high-risk sequence of transactions could be: change to bank account details, filing of forms resulting in a tax refund, change to bank account details) as well as processes to detect new/emerging risks.
<p>Enabling data sharing with third parties</p> <p><i>Includes legislated data sharing arrangements between government bodies + enabling citizens to grant permission for third parties to act on their behalf/have access to their data.</i></p>	<ul style="list-style-type: none"> ▪ Citizen owns their data, so, in principle, should be able to provide access to it by others if they so choose. ▪ Faster and easier data sharing/matching arrangements between government bodies. 	<ul style="list-style-type: none"> ▪ Increased convenience for citizens/business. ▪ Improved service through allowing citizens to nominate third parties to manage some/all of their taxation affairs. ▪ Reduced costs for citizens in providing data to third parties. 	<ul style="list-style-type: none"> ▪ Jurisdiction (e.g. privacy laws) may prevent direct access to data by, or data sharing with, some third parties. For example, it may not be legal to provide a financial institution with access to a citizen’s personal tax data for the purpose of processing a loan application even if the citizen gives their permission. ▪ Requires maintenance of third-party access permissions. That is what data can be accessed (all, identity data, data only relating to certain tax obligations, etc), what actions are permitted (view data, make enquiries, file forms/returns, receive correspondence/reminders), what method can be used for access (phone, online, web services, etc), period start/end dates for access, review processes. ▪ Need to ensure that third parties accessing data are subject to adequate controls to protect citizens’ data.
<p>Publishing schedule of electronic services</p> <p><i>Keeping the community informed regarding planned e-services.</i></p>	<ul style="list-style-type: none"> ▪ Increased transparency – by providing information about how the administration operates. ▪ Increased participation in the tax system as a result of greater transparency. ▪ Open & accountable. ▪ Involve community in determining electronic services to be provided (through co-design, collaboration). 	<ul style="list-style-type: none"> ▪ Builds community confidence by sharing future direction and plans. Citizens can get a feel for what’s coming. ▪ Improved relationships by involving community in planning new or improved electronic services. ▪ Demonstrates organisational commitment to deliver. ▪ Provides staff with a shared understanding of organisational direction with regard to electronic services. 	<ul style="list-style-type: none"> ▪ Requirement for resources to gather and analyse initial and ongoing citizen requirements/preferences for particular e- services. ▪ Need to establish processes to be used to gather citizen input/preferences (may be through industry/client segment groups, specific focus groups, “suggestion box” capability on website/via other channels, etc). ▪ Need to ensure long-term organisational commitment to deliver (drivers + dollars). Requires stable and focussed administration. ▪ Requires robust project and change management capability.

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
			<ul style="list-style-type: none"> ▪ Ability to internally measure progress/identify potential exceptions on a regular basis (e.g. monthly). ▪ Need to ensure progress/changes to schedule are reported externally on a regular basis (e.g. at least annually). ▪ Need to be overt about potential impacts on community as new services are introduced (e.g. temporary reduction in service levels).
<p>Applying methods to increase/maintain take-up of electronic services</p> <p><i>Methods may include promotional activities, offering incentives and mandating use of e-services</i></p>	<ul style="list-style-type: none"> ▪ Maximise ‘self-help’ capability (e.g. user-friendly web sites, advanced search engines). ▪ Maximise use of electronic channels. ▪ Optimise opportunities for productivity improvements. 	<ul style="list-style-type: none"> ▪ Easier for citizens to find the information they need themselves = reduced direct enquiries. ▪ Increased return on investment for e-services. ▪ Ability to expand use of e-services, once initial ‘sign-up’ completed. ▪ Informs citizens of available e-services (often they don’t know they want/need it until they are aware it exists & can understand the benefits). ▪ Makes it easier for citizens to meet tax obligations. ▪ Assists citizens/businesses to increase their effectiveness. 	<ul style="list-style-type: none"> ▪ Requires initial and ongoing effort to optimise structure and classification of information (needs effective use of categories, keywords, tags, etc). ▪ Promotional/marketing campaigns need to be appropriately targeted. May involve: <ul style="list-style-type: none"> – consolidated focus on one user group/e-service at a time – personal approaches to potential users, – gaining endorsement of e-services from representative citizen, professional and industry groups. ▪ Need to clearly convey the benefits of using e-services and provide assurance regarding security of information. ▪ Requires ongoing focus to maintain any increase in take-up, particularly in relation to non-frequent interactions (e.g. annual return filing). ▪ Estimates/targets for increased take-up need to be defined and measured (typical to have specific targets for each individual service). ▪ Need to ensure administration/systems can cope with increased take-up (particularly to cater for situations where take-up exceeds expectations). ▪ Incentives (such as cash payments, discounted rates, delayed filing/payment dates, faster refunds, free software, etc) need to be costed to determine

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
			<p>affordability/value-for-money.</p> <ul style="list-style-type: none"> ▪ Mandating electronic dealings can be politically sensitive, particularly if there is likely to be any increased compliance burden. ▪ Dedicated contact/support areas (e.g. help desks) are usually required to assist with initial set-up and use of e-services.
<p>Using intermediaries to deliver electronic services</p> <p><i>Intermediaries may include industry bodies, payroll providers, tax professionals (accountants, bookkeepers), and administrative head company for groups of companies.</i></p>	<ul style="list-style-type: none"> ▪ Provide choice. ▪ Maximise electronic interactions. 	<ul style="list-style-type: none"> ▪ Citizens have a greater range of options available when choosing provider of services. ▪ Easier for citizens to meet obligations. ▪ Intermediaries are able to provide value-add service for citizens (e.g. tax professionals can provide tax advice in addition to facilitating electronic interaction). 	<ul style="list-style-type: none"> ▪ Intermediaries need to be appropriately regulated to ensure high standards and to protect citizens. ▪ Need to ensure e-services for intermediaries cater for bulk transactions (computer-to-computer interactions) where required.
<p>Integrating services with standard business and other financial, payroll and accounting systems</p> <p><i>Includes concepts such as web-</i></p>	<ul style="list-style-type: none"> ▪ Reduce compliance costs. ▪ Maximise electronic interactions. ▪ Collect information once. 	<ul style="list-style-type: none"> ▪ Citizens are able to meet their taxation obligations by using systems already integrated into their day-to-day operations (e.g. using their proprietary accounting software to populate and submit forms & returns). ▪ No need to navigate to tax office systems (less intimidating). ▪ Reduces paperwork/need to 	<ul style="list-style-type: none"> ▪ Support arrangements required for providers of web-services (software developers).

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
<p>services.</p>		<p>transcribe data from accounting systems onto taxation forms/returns.</p> <ul style="list-style-type: none"> ▪ Improved accuracy (less chance for transposition errors). ▪ Improves compliance/may reduce level of required compliance activity (e.g. where approved proprietary software with in-built compliance checks is used). 	
<p>Providing personalised/differentiated electronic services</p> <p><i>Making e-services make sense.</i></p> <p><i>Includes pre-filing and no-filing (where information about the citizen is already known by the administration or is obtained from third parties such as banks, other agencies, etc).</i></p>	<ul style="list-style-type: none"> ▪ Citizen-oriented delivery of services. ▪ Encourage voluntary compliance. ▪ Reduce compliance costs. ▪ Provide needs-based delivery of services (e.g., personal record keeping software to SMEs). ▪ Deliver services tailored to be accessible to people with disabilities. ▪ No-filing arrangements (for citizens with simple affairs). 	<ul style="list-style-type: none"> ▪ Services are appropriate to citizens' circumstances (type and timing). For example, services can be: <ul style="list-style-type: none"> – tailored according to market segment (individuals, small/large business, tax professionals, third-party providers, etc) – modular, enabling user to pick and choose services (e.g. customize their own portal space) – based on compliance history/risk profile, or – based on life events (e.g. starting/selling a business). ▪ Easier for citizens to understand and use products/services as they are relevant to the individual's situation. ▪ Reduced compliance costs (where pre-filing/no-filing services are used). ▪ Improves compliance where administration receives data directly 	<ul style="list-style-type: none"> ▪ Intelligence and analytics capabilities required to enable appropriate differentiation. ▪ Legislation may be required to mandate the provision of data to the tax administration for pre-filing purposes where that data is not already provided under existing legislation (i.e. existing third-party reporting arrangements). ▪ Need to align timing of data transfer from third parties with filing programme to minimise missing data for pre-filing/no-filing processes. ▪ Need to ensure data from third parties is of sufficient quality. ▪ No-filing solutions require citizens to be able to access the information used by the tax administration to process a taxation event (e.g. an online portal where they can see the data used to determine a tax assessment).

Electronic Service Approach	Strategic Objectives	Benefits	Considerations
		from trusted source (e.g. financial institution, other government bodies).	
<p>Joined-up government/ whole-of-government electronic services</p> <p><i>May include services across agencies within a particular level of government or across different levels of government.</i></p> <p><i>Approaches may include things such as: a single government portal, and a standardised approach to obligations (e.g. reporting).</i></p>	<ul style="list-style-type: none"> ▪ Seamless interactions for citizens across government. ▪ Promote confidence in overall government administration (citizens can see agencies working together to deliver integrated & optimum services). ▪ Collect information once. ▪ Reduce compliance costs. ▪ More responsive government. ▪ Reduce compliance burden for citizens, particularly businesses given their recurring interactions with multiple government agencies. 	<ul style="list-style-type: none"> ▪ Easier, cheaper and faster for citizens – one place to go for all government services or ability to bundle together services from different agencies. ▪ Reduces duplication of effort – one agency can create a service that can be shared across agencies. ▪ Single security solution can be applied. 	<ul style="list-style-type: none"> ▪ Needs government impetus & co-ordinated long-term shared strategy across agencies. ▪ May require legislative change (e.g. if existing legislation prevents data being shared between agencies). ▪ Requires integrated infrastructure in areas such as internet (including portals), security (single sign-on, PKI validation platform), and payments platform. ▪ Full integration (such as single data repository) requires community trust in government’s ability to safeguard information. ▪ Consistency across agencies is a challenge (e.g. common data definitions/mapping).