

# Internal Revenue Commission

As an Ascender Pay User  
and opportunities with  
appropriate access levels

INTERNAL REVENUE COMMISSION



# Outline

- Background – Role of IRC / Government demand on IRC
- Current Arrangements / Security Access – DoF / DPM
- Challenges
- Opportunities with more / improved Ascender access / admin rights
- Conclude Way forward



## Background – Status / Role of IRC / Government demand on IRC

- Since September 2014, IRC has become a statutory authority, IRC Act 2014 (Act 13 of 2014) – IRC is not a government department and PMSA does not apply to IRC
- Collect taxes on behalf of the government of PNG (fund infrastructure (roads, hospitals, bridges, education etc.)



# Implementing Government Strategic Vision

Vision 2050

Alotau Accord II

NATIONAL STRATEGY

Medium Term Development Strategy 3

Medium Term Fiscal Strategy 2018-22

MEDIUM TERM FISCAL FRAMEWORK

Medium Term Expenditure Strategy 2018-22

Medium Term Revenue Strategy 2018-22

CORPORATE STRATEGY

Revenue Policy Development Plan

IRC Corporate Plan 2018-22

PNG Customs Service Plan 2018-22

ANNUAL PLAN (IMPLEMENTATION)

Project Implementation Team (Treasury/IRC/Customs)

2018 IRC Annual Work Plan

2018 Customs Annual Work Plan

# MTRS Reforms 2018-22 (IRC)

## Policy

- Broaden tax base
- Encourage voluntary compliance
- Increase the tax take
- Simplify administration
- Taxpayer segmentation
  - LTO
  - SME
  - S-M

## Law

- Review
- Re-write
- Simplify
- Clarify

## Administration ( IRC)

- Institutional capacity
- Governance
- Service
- People
- *Tax Collections*



## Objective of Medium Term Revenue Strategy 2018-22

- *Broaden the tax base*
  - *Improve compliance*
  - *Improve tax administration*
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- Gov't requires a **steady stream of dependable revenue** so it can fund programmes aimed at improving PNG livelihoods.
  - *Can we deliver on that?*



# What is the bottom line?

- At the end of the day the government wants revenue and more revenue
- IRC contributes approximately 70% of government revenue.
- Can we deliver on the weekly, monthly and annual revenue targets set by the government?
- The staff who work for us will make it happen / Human Capital makes it roll / happen
- So the organisation has to look after, provide efficient services to staff, provide enough motivate for the staff to deliver on targets and government revenue expectation



# Current Arrangements / Security

## Access – DoF / DPM

- For IRC, DoF is the Alesco system administrator / master user
- All / most configuration work is done by DoF
  - Salary & Allowances rates
  - Deduction codes / changes
  - Changes in Tax rates
  - Company Levels (Clevels)
- IRC has access to change / add positions / new hire, data entry for gratuity, Overtime, any other offline payments go through DoF payroll
- DoF runs pay for IRC





# Challenges

- Commission approved structures not reflected accurately in Ascender and in a timely manner
- Data integrity a major issue
  - Incorrect leave balances / leave liability
- Payments taking longer to be facilitated
  - Final entitlements
- AGO auditing IRC books including payroll and requesting for documents IRC does not have
- IRC is a third party in terms of payroll and payroll related payments (Commercial banks)
- External dependencies



# Opportunity with greater Ascender access

- Utilise more of the modules / functionality– e-recruitment, training, WSS
- Better utilisation of the current modules in use eg Personal Admin / Establishment
- Better administration of staff benefits / remuneration flexibility through Ascender Pay to give more value to staff from the same kina amount.
- Accurately reflect current org structure in a timely manner
- Data integrity
- Become a proud / Ascender Pay user and contribute to User Group meeting and presentations



# Way forward for IRC as an Ascender

## Pay user

- We need to get / be given administrative rights / run our own pay; which may include choosing to use a bureau arrangement for pay roll
- After getting administrative rights / required security access we can then become a serious Ascender user.
- See Ascender from an HR perspective
  - Is IRC ready
    - more discipline into our processes
    - Terminated 23 (25) staff in 2018 in relation to payroll fraud
    - General awareness of what Ascender offers



# Queries

- Who do we consult to run our own payroll, DPM or DoF?
- Terms and Conditions are determined by SCMC / SCMC is Chaired by Secretary DPM while DoF is responsible for Salary and Allowance configuration – is this a best fit / is there a better fit?
- Apart from BPNG, Trukai, Defence (ADF), why does every other user attend conferences and what do we want to get out of the conferences?



Thank you?







# Institutional Support/Assistance

- PNG Government
- IMF
- ATO
- Aust DFAT/EGIG
- OECD
- US Treasury/OTA
- Others?

