




PRESS STATEMENT

From: The Office of the Commissioner-General
To: All Media Houses
Date: February 9, 2009
Topic: **TRIPS continues to serve GRA well**

I refer to letters written by Mr. Ganesh Singh in the Stabroek News on Monday February 2, 2009 captioned "Why is it that TRIPS does not appear to be fully functional?" and in the Kaieteur News on Thursday February 5, 2009 captioned "The IDB should fund an independent audit of the GRA TRIPS System."

The Guyana Revenue Authority (GRA) wishes to inform the general public that Mr. Ganesh Singh is misinformed about the operations of the TRIPS and its benefits to the revenue collection system.




The introduction of the TRIPS system began in 2006, in time for the introduction of the Value-Added Tax (VAT) and the Taxpayers Identification Number (TIN) Registration which was aimed at improving the efficiency of the Guyana Revenue Authority. Transactions conducted at any department within the Guyana Revenue Authority are now placed into this consolidated Central Bio-Data System.

From this data there is scope for improved Revenue Accounting, Customs Controls, Intelligence and Risk Management, Audit and Assessment, Debt Management and Management Information, which are currently functional.

To date, the GRA has seen significant improvements in its operational procedures and revenue collections as a result of the implementation of TRIPS. Taxpayers are now spending less time at GRA's business locations to complete transactions. There is more transparency in the revenue collection system. Moreover, TRIPS has brought several tax dodgers into the GRA net resulting in the recuperation of millions of dollars in loss revenues. In addition, it has made it practical for the GRA to detect money launderers and other systems that undermine revenue collection.

Through TRIPS, importers may be electronically identified for examination processes ranging from 25% to 100% of imports. Recently, TRIPS had identified an Importer from a reputable supermarket for a 100% examination. Officers attached to the Law Enforcement and Investigation Unit were obligated to search every piece of item imported. This has signalled that at any given time any importer can be made subject to this type of examination at any port of entry, thereby reducing the possibility of fraudulent declarations.



The TRIPS implementation project was funded by the FFMP. Some US\$4M was plugged into this programme with an additional US\$1M being spent on boosting the system through consultancy and public relations activities. Consultancy services were provided by the United Kingdom (UK) based Crown Agents to enable the Government systems to be managed under a single umbrella.

TRIPS is functional throughout the departments of the GRA and is currently allowing taxpayers to register for taxes. Through a phased implementation other modules such as the submission of declarations, electronic payments, access to public information and status queries on transactions submitted to the GRA are to come on stream shortly.

TRIPS continues to serve the GRA well despite a brief setback during the last quarter of 2008. During that challenging period, the brunt of the setback was more evident in the operations of Customs and Trade Administration in relation to clearing imports. This resulted in a backlog of work for officers since manual procedures had to be utilised for a short period. However, through the back-up system, the GRA was able to retrieve all information with technical help from a reputable company in Barbados.

The Commissioner-General has spared no efforts in ensuring that weaknesses found in the system be remedied immediately to avert the reoccurrence of a similar incident. Subsequently, more emphasis has been placed on the overall security of the system and other technical backup measures are in place.

A comprehensive backup plan has been developed to address the short, medium and long term operations of the system. This is testimony to GRA's commitment to the continued improvement and efficiency in our revenue collections system.

