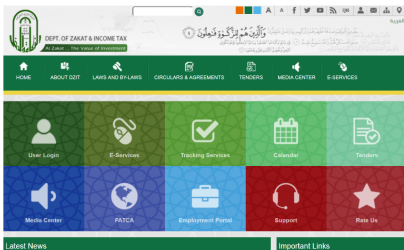


The General Authority of Zakat and Tax (GAZT)

Invenio implemented a Tax and Revenue Management solution

Tax in Saudi Arabia consists primarily of Corporate Income Tax, Withholding Tax and Zakat. Non-Saudi nationals are taxed on income from self-employment, capital investment and income from any business activity conducted in the Kingdom of Saudi Arabia. This is all monitored, controlled and enforced by the General Authority for Zakat and Tax (also known as GAZT), which is one of the government agencies affiliated with the Ministry of Finance. Previously known as the Department of Zakat and Income Tax (or DIZT), the department has 17 different branches, each with a number of different objectives.



Business Challenges

Government authorities, federal states, districts and city councils within Saudi Arabia are facing unprecedented public demands to increase their efficiency, effectiveness and accuracy. In an environment of deficits, changing legislation and technology, non-compliance issues and tax evasion, this is an enormous challenge. In order to undertake this full system overhaul, GAZT enlisted the help of Invenio, because of their specialist expertise and sophisticated Tax & Revenue Management systems. GAZT challenged Invenio to:

- Modernise all business processes
- Achieve better integration of all existing interfaces with Ministries, SADD (Banking Gateway) and other Public Authorities in the Kingdom
- Fully automate all systems by utilising workflows and enable the mass processing of taxes, penalties, interest and outbound correspondence
- Achieve unification and centralisation of consistent business rules across the organisation
- Replace and extend a modernised taxpayer self-service portal with latest available technology
- Decommission all costly legacy systems
- Undertake data migration of full taxpayer history
- Deliver training to all GAZT employees across the country - in all branches and offices

Invenio were able to undertake all of these tasks successfully over the period of the project.

Invenio's Solution

Invenio's experts were able to design a fully integrated taxpayer portal, providing 24x7 taxpayer services online, which both taxpayers and tax advisors could use as a resource. Behind the scenes, a comprehensive and highly bespoke landscape was designed, approved and implemented by Invenio experts to modernise old business processes. This included working around the complex tax rules of the country, which included two different tax years depending on which calendar was used (Hijri or Gregorian), and variable tax rates depending on the nationality of the tax payer. This meant that the systems needed to be flexible enough to cope, and to be fully functional in both English and Arabic for both taxpayers and back end tax advisors. This change was implemented simply, with little to no problems along the way.

Data management during the transition needed to be smooth and the new system was designed to hold and move all data in a far more efficient manner. Data migration was conducted from multiple legacy systems and various third-party sources before integrating into one streamlined solution. The SAP platform meant that Invenio were able to create a singular set of standardised data rules, which meant quality of data from the previous 10 legacy systems could be raised before being distributed to the new 77 taxpayer online services.

End user training was performed at multiple branch locations around the Kingdom of Saudi Arabia, with multiple teams of consultants and key users travelling to different branches. Along with in person visits, video training was developed to provide easy access for taxpayer and tax officers alike. The process for implementing all of these changes was complex and time consuming, but was successfully completed on time and on budget with minimal disruptions.

The Results

As a result of Invenio's detailed solution, GAZT were able to benefit substantially from a modernised and streamlined business process. This streamlined approach means that over 1400 tax officers across the country are now able to service taxpayer needs more efficiently while still meeting their own organisational targets. This high level of cohesive support means that GAZT can now benefit from:

- A holistic view on all taxpayer accounts
- Integrated case management operations
- Audit pool and correspondence generation
- Debt and compliance management facilities
- Sophisticated reporting tools
- Fraud detection mechanisms
- Efficient interaction and data exchange with customs and other ministries

In addition, hundreds of GAZT employees have now been trained in various functional and technical topics, helping them to become self-sufficient and well equipped for any future developments. Thanks to Invenio, GAZT were able to meet their revenue targets within the same year. Invenio successfully purged and cleansed over 350,000 master records from 4 separate systems before merging them all to create a single master data set. Invenio also:

Automated tax services

Fully automated 77 online tax services within the SAP landscape

Increased customer satisfaction

Dramatically increased customer satisfaction thanks to the extensive updating of over 77,252 registration records, which lead to more accurate information and tax calculations

Reduced data processing period

Reduced the data processing period for the average taxpayer from 1 week to 1 hour

Automated data validation

Automated data validation by integrating seamlessly with 10 third party systems

Reduced taxpayer visits to branches

Reduced taxpayer visits to branches for taxpayer services from 350,000 to 70,000