



# Tax Integrated System(TIS)

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- ① *TIS Overview*
- ② *Strategic Approaches for TIS*
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- ④ *Earned Benefits*
- ⑤ *Keys to Tax System Success*

## *TIS Overview*

*Strategic Approaches for TIS*

*Solutions for Major Issues*

*Earned Benefits*

*Keys to Tax system Success*

Background

*TIS Overview*

**New  
Financial  
System**

**New Supporting Tool  
Needed to Keep Pace  
with Changes**

**Strong Will  
for  
Transparent  
Taxation**

**Fast  
Growing  
Economy**

**Advanced  
Info.  
System  
Needed**

**Government**

- To Prevent
  - Collusions between taxpayers and tax officers
  - Tax Evasion
- To Promote
  - Voluntary tax payment

**Tax Officers**

- To Improve
  - Productivity
- To Minimize
  - Errors

**Citizens**

- To Get
  - High quality services
- To Reduce
  - Waiting time, number of visiting tax offices, etc.

**Increasing Tax Revenue**

**Anti-corruption & Voluntary Tax Payment**







**Advanced Tax Administration**

**Fast and Accurate Public Service**




**Fair  
and  
Objective  
Tax  
Administration**



## Major Systems

	Central Processing System	A system for dealing with major tax office works
	Regional Processing System	A system for processing tax returns and taxation data
	Data Warehouse	A system for analyzing and using tax information in various perspective (To be constructed)
	HTS, e-Tax Returns	A system for offering one-stop public services to taxpayers through the Internet (To be constructed)
	Credit Card Fraud Alert System	A system for gathering & using taxpayers' credit card information and preventing credit card fraud
	Miscellaneous	A system for handling Legal Affairs, Code of Tax Data Submissions, and Delinquent Taxpayer's list

## Supporting Systems

	Groupware System	A groupware system which is used organization wide
	Intranet System	A system for organization-wide information sharing and community activities
	Cyber Education System	A system for supporting the education of NTS staffs

## Tax Integrated System

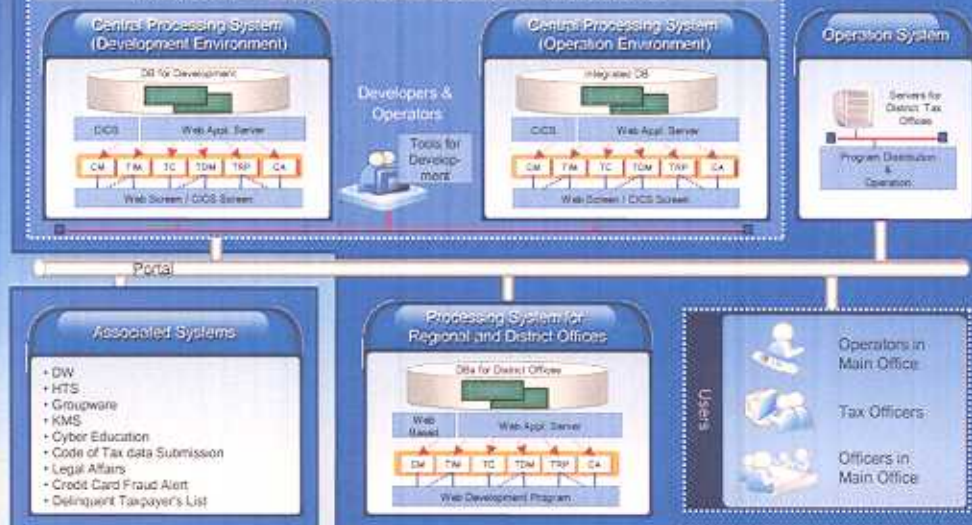
- An information system for supporting core tax administrative works such as **Collection Mgmt.**, **Taxpayer Info. Mgmt.**, **Taxpayer Compliance**, **Tax Data Mgmt.**, **Tax Returns Processing**, and **Civil Affair** along with the business process

Development Period	Dec. 1993~ Dec. 1996, 3 yrs	
Host Mainframe (IBM 9672-X67)	CPU : 863 Mips DISK : 16 TB M/M : 5 ~ 6 GB # of Programs: 26,000 # of Transactions: 1,000,000/day	3 in #
Servers in Regional and District Offices (Miracle 9000)	Capacity : 25,000 tpmC DISK : 144 ~ 907 GB M/M : 2 ~ 4 GB	145 in #
Integrated Server in Head Office (SUN Enterprise 10000)	CPU : 400 MHz * 16 M/M : 4 GB DISK : 369 GB	1 in #

Register Mgmt.	Tax Return	Document Mgmt.	Investigation	Collection	Civil Affair	Appeal	International Tax Affair
Registration	Information	Gathering/ Input	Investigation/ Follow Up	Determination Collection	Certificate Process	Request for Reinvestigation	International Taxation
Change	Processing	Process/ Mgmt.	Post Mgmt.	Notice	Change Mgmt. for Registration	Appeal for Review	Civil Appeal Management
Post Mgmt.	Claim/ Reassessment			Receipt	General Civil Appeal	Board of Audit Review	Transfer Price Mgmt.
Misc.	Misc. post Mgmt.			Refund	Tax Data Receipt/ Input		Foreign Exchange Mgmt.
	Document Mgmt./ Statistical Report			Deferment/ Security			Int'l Taxation Collaboration
				Arrearage Management			

# Operation Image of TIS

### Integrated Development & Operation Environment





Before

Collusion



Tax Evasion



TIS System

After

Revenue Increase



Before



Manually, Papers...



TIS System

After

Automated, Online...



Officer

Before

Revisiting,  
Re-calling...



TIS  
System

After

One-Stop Service



Citizen

*TIS Overview*

***Strategic Approaches for TIS***

*Solutions for Major Issues*

*Earned Benefits*

*Keys to Tax system Success*

TIS

Fair and  
Objective  
Tax  
Administration

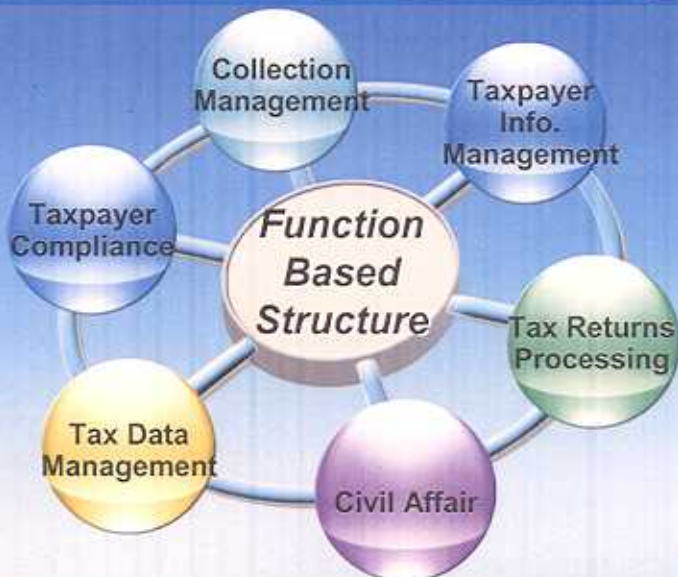
Function Based Structure

One-Stop Public Service

Integrated Data Management

Function Based Structure

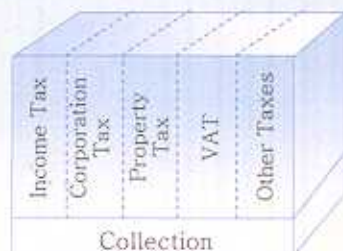
Strategic Approach 1





### Before

#### System Based on Tax Code



- Lack of connectivity between tax code and function
- Lack of integrated data management per individual or company

### After

#### Integrated System Based On Function and Tax Code



- Able to make connectivity between tax code and function
- Able to use tax data associated with individual and company from multiple angles

# Basic Structure

## Application Architecture

### Taxpayer Registration

- Taxpayer Registration
- Taxpayer Service
- Tax Agent Management
- Individual Taxpayer Registration
- Tax Officer Management

### Returns Processing

- Pre-filing Notice Services
- Input Processing
- Error Validation & Correction
- Tax Due Determination
- Tax Assessment Data Matching
- Non-Filed Identification
- Returns Statistics Reporting
- Taxpayer Service



### Collection Management

- Billing
- Payment Processing
- Delinquency Management
- Refund
- Revenue Reporting
- Taxpayer Service

### Tax Data Management

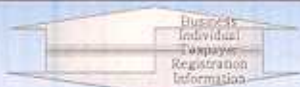
- Tax Data Input Processing
- Tax Data Validation & Processing
- Unmatching Data Processing
- Determination
- Preparing Pre-Assessment Data for Property, Inheritance, and Gift Tax
- Tax Due Determination
- Tax Data DB Management

### Taxpayer Compliance

- List of Investigation Candidate
- Investigation Plan
- Investigation Processing
- Investigation Result
- Penalties
- Non-Compliant Taxpayer
- Investigation Miscellaneous Data
- Statistics
- Investigation History

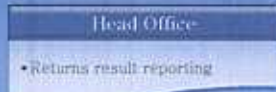
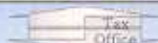
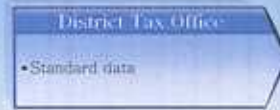
# Taxpayer Registration

## Application Architecture



# Returns Processing

## Application Architecture





# Collection Management

## Application Architecture



# Taxpayer Compliance Management

## Application Architecture







### Tax Computing Center

Integrated  
DB

- Income Tax
- Corporation Tax
- Value Added Tax
- Property Tax
- Other Taxes



• Taxpayer Information



• Other Administrative Information

104 District Tax  
Offices  
(Exclusive Line)

National Tax  
Service

*TIS Overview*

*Strategic Approaches for TIS*

**Solutions for Major Issues**

*Earned Benefits*

*Keys to Tax system Success*

## Blocking Tax Evasion

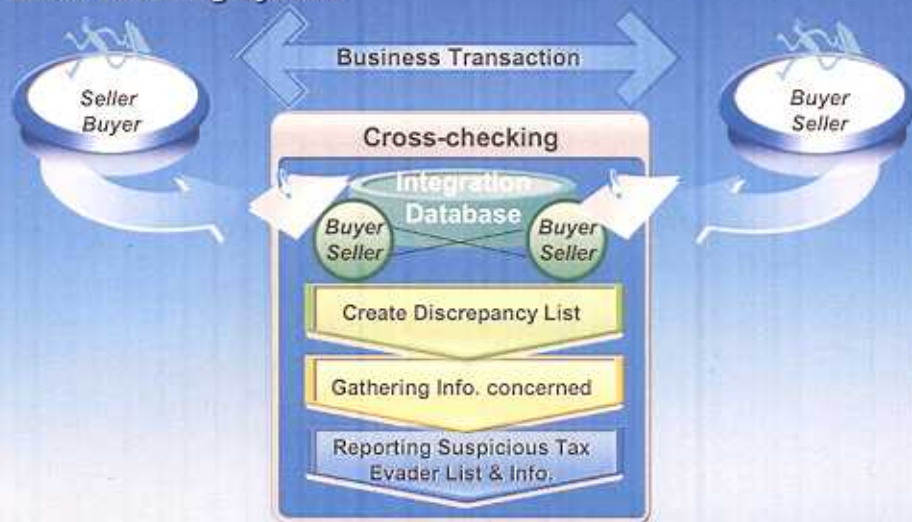
*Solutions for Major Issues*



## Blocking Tax Evasion

*Solutions for Major Issues*

### 1) Cross-checking System





세금계산서합계표 조회

2009/03/15 10:55:55

세무서 : 822 신안정리회계영양

사업년도 : 2008년 기 산전구분 : (1: 예정 2: 확정 3: 기명)

지출구분 : (1: 매입 2: 매출) 계약구분 : (1: 매출지 2: 거래지)

사업자번호 : 781-81-99925 주석 : 한근리업종 : 413334

거래처번호 : 인위 : 2008

번호	서	거래처번호	업종	매수	금액	가액	세액	불성실
1	104	101-81-59555	510034	35	0.821,000	302,100		
2	101	101-82-38865	791204	2		38	3	
3	104	124-95-95114	610030	4		15	1	
4	105	105-81-85487	500010	1		73	7	
5	214	110-81-20530	724030	3		126	12	
6	129	129-81-29000	730200	3		1,258	126	
7	129	129-81-41728	510034	2	1,784,132	175,413		
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주민등록번호계 :								

합계 : 4 페이지중 1 페이지

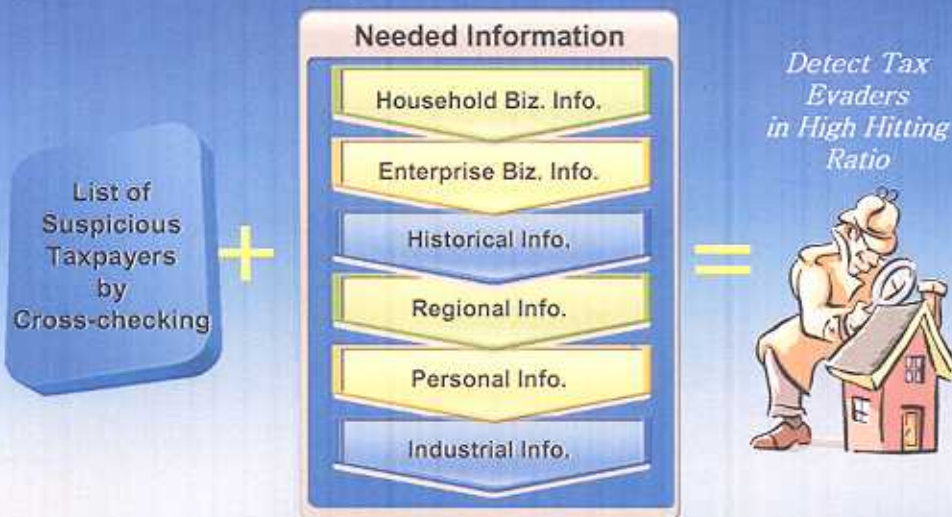
메세지 : 조회할 정보가 계속됩니다 ( 계속조회 : F7, F8 )

F1 : 종료 F2 : 초기화 F3 : 인쇄 F4 : 열람 F5 : 열람 F6 : 열람 F7 : 열람 F8 : 열람 F9 : 열람 F10 : 열람 F11 : 열람 F12 : 열람 F13 : 열람 F14 : 열람 F15 : 열람 F16 : 열람 F17 : 열람 F18 : 열람 F19 : 열람 F20 : 열람

CAPS 번호 : 217066 6845

도움말 보기 메뉴 도움말을 이용하실수 있습니다. | 10.11.5.930 3270 단말기 번호 (IBM-3276-2-E) | 00.021.0 CAP. NUM

## 2) Tax Evasion Tracing System





## Example



Increase of  
Tax Revenue



VAT  
Collection



## Establishing Social Infrastructure

### Voluntary Tax Payment

- Activate  
**Voluntary Declaration  
and Payment**
- Prevent Tax Evasion.

### Improved Public Trust

- Introduce  
**Transparent  
Processing**

### Improved Public Service

- Convenient Tax  
Payment
- Fast and Accurate  
Handling of Civil  
Affairs



## Social Value

*Earned Benefits*

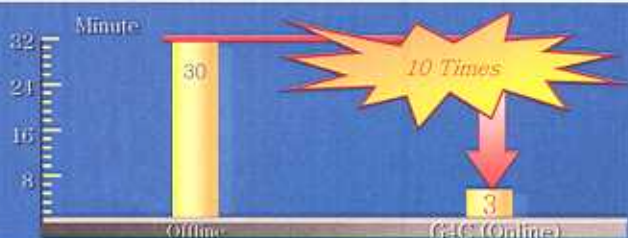
● Example



Number of  
Taxpayer



Issuance  
Service Delay



## Administrative Value

*Earned Benefits*



Anti-corruption

- Block Collusion with Tax Officers



Productivity

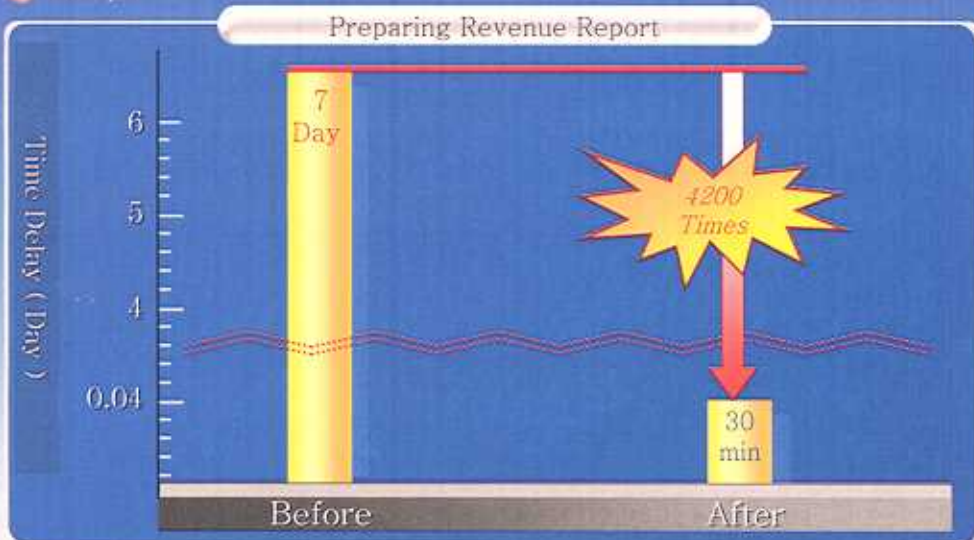
- Reduce Workload
- Remove Paperwork



Efficiency

- Minimum Procedure without Redundancy
- Total Mgmt. of Tax Resources

### Example



*TIS Overview*

*Strategic Approaches for TIS*

*Solutions for Major Issues*

*Earned Benefits*

**Keys to Tax system Success**

Keys to Success

Business

- 1 Business Process Knowledge**
  - Business Process Analysis
  - Long Term Experience of Taxation System Operation
- 2 Ownership & Participation**
  - Driving Force of Top Management
  - Practical Officer Participation
- 3 Public Service based Approach**
  - Convenient Tax Payment
  - Civil Affair Handling Efficiency

Technology

- 1 Cross-Functional Integration**
  - Function Based Architecture
  - Integrated Data Management
- 2 On-Line Transaction Service**
  - Paper into Electronic Data/Doc.
  - On-Line Issuance & Automation
- 3 Blocking Tax Evasion**
  - Cross-Checking System
  - Tax Evader Tracing System



Welcome To LG CNS





## Global Presence

Who We Are



300 offices in over 120 countries





- Revenue : \$1.46 Billion (2004)
- Employees : 5,642+ (2005)
- Top of IT competition market in Korea
- Asia/Pacific top 10 IT service provider\*
- Credit rate : AA+

\*Gartner Research (August 2003)



## Man Power

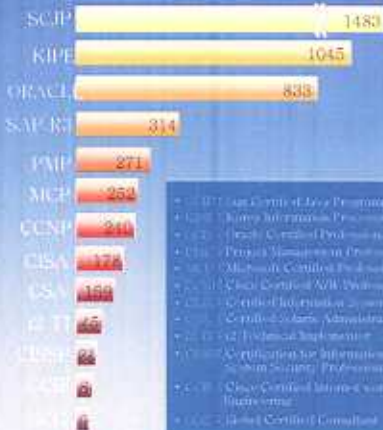


### Manpower Expertise

(Total 5,642)



### Certified Engineers



- ITIL Core Certificate of Java Programming
- ITIL Core Certificate of Business Process Management
- ITIL Core Certificate of Project Management
- ITIL Core Certificate of Service Management
- ITIL Core Certificate of Microsoft Certified Professional
- ITIL Core Certificate of SAP/IB Professional
- ITIL Core Certificate of Oracle Certified Professional
- ITIL Core Certificate of Oracle Certified System Administrator
- ITIL Core Certificate of Oracle Certified System Administrator
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## Global Presence



## LG CNS Services Overview

- Strategy Consulting
- Process Innovation Consulting
- Implementation Consulting

- System Development & Support
- System Maintenance & Management
- Enterprise Solution Management

- CIC
- Billing BPO
- DMO
- HR
- BPTM
- ACBPO



- N/W Consulting & Implementation
- N/W Infrastructure Establishment
- N/W Management & Maintenance
- Core N/W Equipment Supply

- Data Center Service
- Application Outsourcing
- Network
- Distributed Computing
- Help Desk
- Disaster Recovery





## Government / Public

- Government
- National Defense
- Law Enforcement
- Public Corporation
- Soc
- Education

## Hi-Tech

- Electronics
- Chemical / Energy
- Manufacturing

## Finance / Service

- Banking
- Credit Card
- Insurance
- Logistics
- Construction
- Retails

# Government / Public References



### National Finance

- Korea National Tax Office
- Ministry of Finance
- Ministry of Planning & Budget
- Export Insurance Corp.
- Social Insurance Agencies

### Land Administration

- Supreme Court of Korea
- Ministry of Home Affairs
- Ministry of Construction & Transportation (GIS)
- Local Government (UIS)

### Government

- Information & Communication Ministry
- Cultural & Tourism Ministry
- Intellectual Property Office
- Customs Office

### Law Enforcement

- Ministry of Justice
- Supreme Court
- Supreme Prosecutors Office
- National Police
- Fire & Disaster Department

### Transportation

- Korean National Railroad
- Seoul Smart Card Corp.
- Incheon Int'l Airport
- Korea Highway Corp.

### Defense

- Ministry of Defense
- National Army
- Air Force
- Navy
- Military Manpower Office




*LG CNS wishes to work with you  
to make your Dreams happen*

A photograph of several men in dark suits and ties, smiling and clapping their hands. The man in the center is wearing glasses and has a wide smile. The background is slightly blurred, focusing on the clapping hands and faces.

*Thank You*



## Q & A

- 
- A large, light blue question mark icon is positioned on the left side of the slide, partially overlapping the list items.
- 1. TIS Overview*
  - 2. Strategic Approaches for TIS*
  - 3. Solutions for Major Issues*
  - 4. Earned Benefits*
  - 5. Keys to Tax System Success*