



Contribution by Ms Vicky Ang, Senior Corporate Planning Officer of the Corporate Development Division, Inland Revenue Authority of Singapore.

Taxpayer and Public Engagement

IRAS aspires to be a partner of taxpayers in nation-building and economic development. We proactively engage our taxpayers and other stakeholders to better understand their needs and expectations. We leverage on our understanding of taxpayers to deliver excellent service, forge a voluntarily compliant taxpayer community and refine our tax rules to foster a pro-business environment. We also encourage our taxpayers to play an active role in shaping the design or implementation of tax policies that will ultimately impact them and the country.

Here are some examples of IRAS' recent taxpayer and public engagement efforts.

Helping Businesses Benefit from the Productivity and Innovation Credit (PIC) Scheme

The PIC is a tax benefits programme that promotes greater business productivity and innovation. Introduced in 2010 and enhanced in 2011, the scheme provides enhanced tax deductions for investments in a range of six activities – research and development; registration of Intellectual Property rights; acquisition of Intellectual Property rights; design; purchase of automation equipment; and training of employees.

To ensure that business taxpayers are able to reap the full benefits of this scheme, IRAS carried out a series of activities to communicate and promote the scheme and to educate businesses on the claim process. To raise awareness of the scheme among businesses, IRAS ran media stories, sent brochures/targeted mailers to 270,000 businesses, and contributed articles about PIC on trade associations' websites/newsletters.

Since the introduction of the PIC Scheme, IRAS has been conducting regular education seminars to help businesses, particularly SMEs understand the scheme. We have conducted more than 100 PIC education seminars for over 15,000 participants, including sessions that have been customised to the needs of specific industries. More recently, IRAS and SPRING Singapore teamed up to organise a series of PIC clinics – free one-on-one consultation sessions to provide SMEs with tailored advice on how their companies could qualify for and benefit from the scheme. To date, more than 250 companies have attended the clinic sessions. To help businesses especially in the lead-up to the tax filing season, IRAS will continue to reach out to the business community through regular PIC seminars.



Harvesting Good Ideas from the IRAS Taxpayer Feedback Panel

The IRAS Taxpayer Feedback Panel (TFP) was profiled in Singapore's key English newspaper, The Straits Times in September 2011 for their contributions and partnership with IRAS in improving tax policies in Singapore. Formed in 1999, the 20-member feedback panel is made up of representatives from business and trade associations and individual tax experts. In 2008, a similar panel with 15 members was set up for mandarin speakers.

The two TFPs serve as important, structured channels through which IRAS obtains regular feedback on our processes, service and initiatives. The stamp duty relief for qualifying merger and acquisition deals that was announced last year, and the addition of a tax calculator to our online tax filing system are a few of the many TFP-inspired changes that have been implemented.

Through their feedback, the two TFPs have helped to pave the way for tax policy changes that have benefited the general public as well as the business community, and have helped IRAS to stay attuned to ground sentiments.

Giving the Tax Community the Opportunity to Shape Tax Policies

IRAS and/or the Ministry of Finance regularly conduct public consultation exercises to obtain views on upcoming tax changes and on areas of tax laws that we should review and fine-tune to provide greater clarity or facilitate compliance by taxpayers. These public consultation exercises serve as a platform for the Government to engage its people on tax policy changes and communicate their rationale.

Ideas or feedback provided by taxpayers or tax professionals are carefully studied to see if they could be accepted or addressed. All comments received from the public are published, as are the Government's responses, which elaborate on the rationale for accepting or not accepting the suggestions.

In recent public consultation exercises for changes to our Income Tax Act and Goods & Services Act, about half of the public suggestions received for the amendments were accepted.