



# ReveNews

Volume 5

January to March, 2000

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## Filing Time !!!



As usual all hands were on deck to give assistance to our clients.

## Our Mission

The Inland Revenue Department stands committed in its impartial treatment of its customers. We aim to provide an efficient, professional and courteous service, while administering the relevant tax laws on behalf of the Government and people of Saint Lucia.



*Taxpayers submitting their returns downstairs*



It was that time of year again. Thousands of taxpayers flocked to the Department to either submit returns or seek advice or assistance with the process of filling out their tax returns.

Two officers of the Unit were stationed daily in the lobby of the building where they received completed returns. This certainly assisted in the flow of taxpayers coming into the Department. The Assessments Unit should be congratulated for their new initiative.

We should all be proud of our efforts this year.

## Editorial Committee

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Felicia Lubin,  
Collections



Hannah Epiphane,  
Administration & Objec-  
tions



## Editorial

By Mr. Lyndon Arnold, Ag. ACIR— Data Processing

A couple years ago, such a publication would never have been possible if not for the introduction of cutting edge technology by the management team with support coming from the Ministry of Finance.

Technology is a great enabling tool and this has truly been demonstrated within the walls of our Department. We have set the pace and the standards for the acquisition and utilization of technology within the Public Service and by no means was this an easy achievement, given the many demands that are placed on the limited financial resources of Government. Because we have been this fortunate, it is the responsibility of each and every one of us, to ensure that we take due care of the equipment that has been assigned to us. Remember, these are our tools and to provide an efficient and professional service, we must ensure that our tools are functional.

We should be proud to boast of many accomplishments by the Department in the area of technology, customer service and professionalism, all of which have emerged as a result of the foresight and hard fought battles of the management team in securing the proper tools to make the Department what is today.

But that is not the end of the tunnel, we must all continue to work together, to achieve and maintain the ideals of our mission statement – efficient, professional & courteous service. It is through these continuing efforts will the relevant authorities continue to look on us favourably when we submit our requests for future technological acquisitions.

### Other Publications

The following brochures/booklets are also available from the Inland Revenue Department: -

- Know Your Taxes
- A to Z of Taxation
- Tax Facts - Personal Allowances & Deductions
- Tax Facts - Corporations
- Tax Facts - Small Business Enterprises
- Tax Facts - RHOS Plan
- Income Tax Return Guide for Individuals
- Property Tax - Our Vision for the future

# Independence Day Exhibition



*"The evolution of the income tax return".*

The Inland Revenue Department, as part of the Ministry of Finance, participated in the National Independence Exhibition which was held at the Commercial Free Zone in Vieux-Fort from 18th to 27th February, 2000.

The Department's exhibits consisted of brochures, a Power Point Presentation on the Standardized Integrated Government Tax Administrative System (SIGTAS) and our most exciting exhibit, the volcano which portrayed "The evolution of the income tax return".



Here's Hannah giving an explanation on the "volcano".

Mr. Kervin Mitchell and Mr. Leton Clovis are to be commended for their brilliant work in making the dream of the "volcano" a reality. This masterpiece attracted the attention of the hundreds of primary and secondary school students who visited the exhibition.

The Taxpayer Relations Unit would like to take this opportunity to specially thank Mr. Clovis and Mr. Mitchell for their hard work and we look forward with much enthusiasm to working with them in the future.

If you think education is expensive, wait till you see what ignorance costs you.



Norma handing out the Department's leaflets and brochures to eager students.

The future of our contribution towards the National Independence Exhibition would rely on the Department's willingness to make provisions in their annual budget. In addition, more staff members should be encouraged to participate by contributing ideas. Full participation from everyone will allow our presentation to be more effective and meet the standards of the other government Departments and private sector organizations.

# Tax Practitioners Conference

The Department hosted a Tax Practitioners Conference on Wednesday March 1, 2000 at the Palm Tree Hotel. This Conference was arranged to afford Tax Practitioners the opportunity to familiarize themselves with the various functions of the different sections of the Inland Revenue Department. The Practitioners used this forum to highlight the tax related problems they encounter with their clients.

Each Assistant Comptroller gave a brief description of his section's activities and they also answered questions from the participants.

At the end of the conference it was felt that the response from the Tax Practitioners was very positive. It is hoped that this Conference will become an annual event in the Department's Taxpayer Relations Agenda.



**Never let what you can't do  
interfere with what you can do.**



## Workshops & Seminars

- Mr. Agosta Degazon, Assistant Comptroller - Administration & Objections, attended a Commonwealth Regional Training Programme on Training Needs Analysis which was organised by the Government of St. Lucia in collaboration with the Management Training Services Division (MTSD) of the Commonwealth Secretariat of London. The programme was held from January 17 to 28, 2000 at the Caribbees Hotel.
- Three officers attended a one-week Commonwealth In-country Training Programme on Training Delivery Skills from January 31 to February 4, 2000 held at the Caribbees Hotel.
- Mr. Kenrick Haynes and Mrs Martina Daniel attended a two-week Computer Based Audit Training Course from February 28 to March 10, 2000 at the Customs & Excise Department.
- Five officers commenced the six-week Certificate Course in Entry Level Skills on March 6, 2000. This Programme was developed by the St. Lucia Chamber of Commerce in collaboration with the Centre for Management Development of the University of the West Indies. The course is aimed at enhancing the skills and on-the-job performance of junior-level employees and new entrants to the work place.
- Ms. Norma George and Ms. Hydie Aurelien attended a one-day Seminar on "Transforming the profession beyond the Millennium" which was conducted by the Caribbean Association of Secretaries and Administrative Professionals (CASAP) and held at the Bay Gardens Hotel on March 31, 2000.

## STAFF PROFILE:

# Rudolph “Doddy” Francis Bsc LL.M CPE

Mr. Rudolph “Doddy” Francis has been employed with the Inland Revenue Department from July 1990 and currently occupies the post of Legal Officer IV. He feels very privileged about being one of the few Tax Lawyers in the Caricom Region. He decided to pursue Tax Law because he foresaw the future demand for Taxation Lawyers and felt that his experiences with tax would give him the edge.

Over the years Mr. Francis has served as ‘troubleshooter’ in many Ministries within the Public Sector. Prior to joining the Inland Revenue Department he was employed as a Senior Accountant with the Ministry of Education. Mr. Francis was then laterally transferred to the Department to serve as the Field Audit Supervisor. With his vast knowledge and skills he quickly moved into the senior management stream as the Officer-in-charge of the Audit Section from October 1991 to June 1992 and later ACIR Administration & Objections in 1994. In 1996 he left the Department bound for England to pursue his dream of becoming a Taxation Lawyer.

Mr. Francis has remained with the Inland Revenue Department primarily because of this love for taxation. Being a strong advocator of change, his entrance into the senior management stream of the Department came at a time when the organisation was being restructured and this challenge afforded him the opportunity to be a part of the process which was responsible for the organisational structure of the Department today.

An easy-going individual with a genuine love for human beings. Mr. Francis has sought to share his wealth of knowledge with his fellow staff and through his every day interaction has assisted in encouraging individual staff members in pursuing their aspirations through self-development.

Mr. Francis has been on many tax-related training programmes. These programmes fully prepared him to diligently perform the various tasks which he was assigned.

However, in his present position as Legal Officer/Advisor his duties are:-

- To provide legal advice to staff on any ambiguous legislation;
- To provide interpretations ;
- To research cases and provide officers with authorities for cases;
- To represent the Department before the Appeal Commissioners;
- To represent the Department on legal matters;
- To help improve the Income Tax Act;
- To represent the Department in any tax related functions.



Mr. Francis' career objectives are to specialise in Tax & Corporate legislation, both regionally and internationally. He has a keen interest in International Taxation, Offshore Banking, Finance and Corporate Law and intends to pursue a career in these respective fields.

Mr. Francis would like to remain with the Inland Revenue Department as long as he can. However, he would like to serve the region as a Consultant Advisor on Tax and Corporate Legislation and to act as a catalyst in achieving full harmonization of Corporate & Tax Legislation in the Caribbean.

Mr. Francis is involved in many community-related and social groups. He served as:

- President of the Rotaract Club of St. Lucia in 1989;
- Rotaract District Representative for the Region (District 7030) in 1991;
- Director in the Rotary Club of St. Lucia from 1991 to 1995;
- Accountant for the National Carnival Development Committee from 1988 to 1990;
- Member of the NYC Committee;
- Member of the National Council for Drug Awareness & Substance Abuse;

He has also been involved in Sporting Groups:-

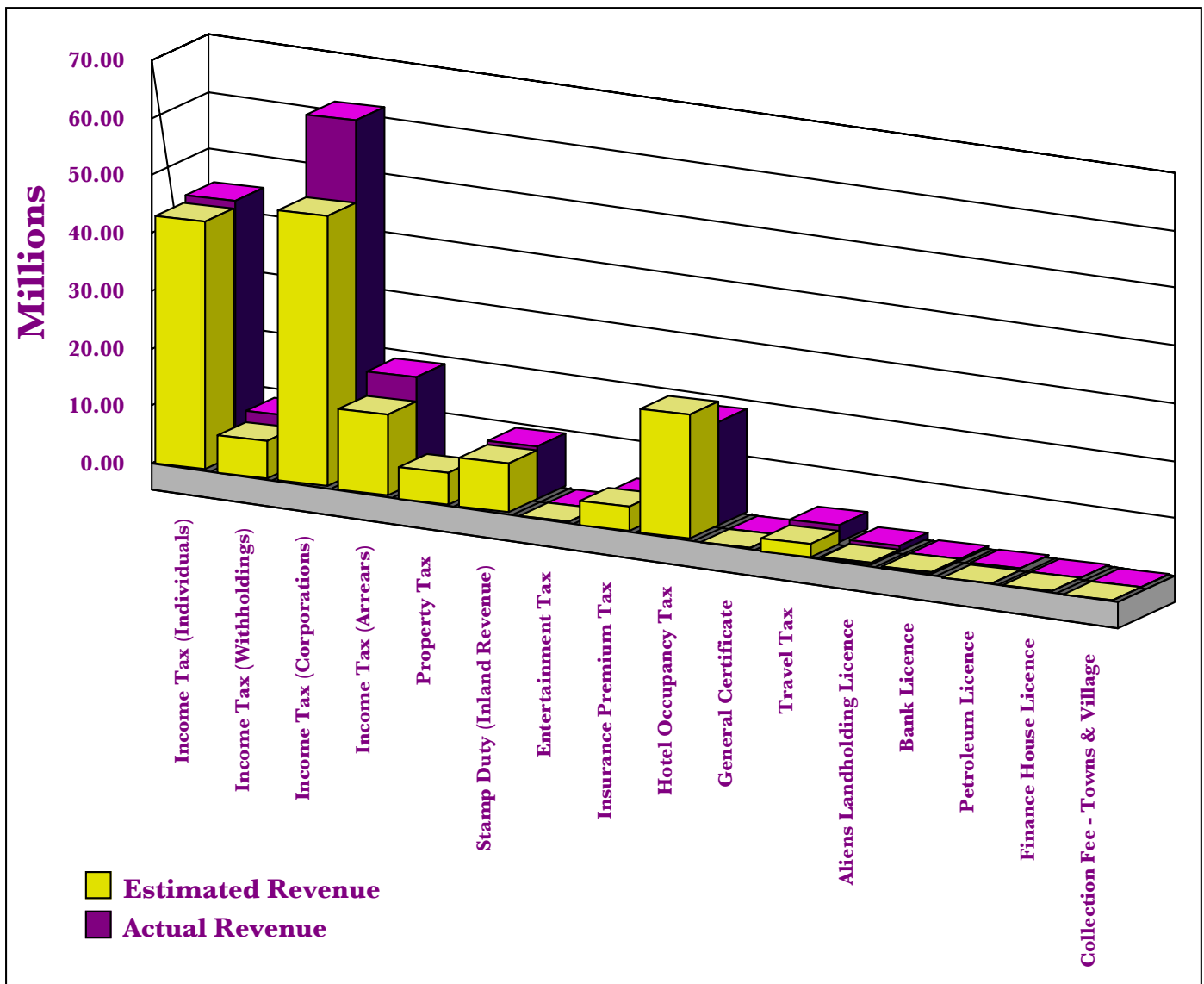
- Member of National Youth Cricket Team
- Member of National Hockey Team
- Captain—U.W.I. Basketball Team
- Vice Captain—U.W.I. Volleyball Team

Mr. Francis is married and has two daughters. He says his family provides him with a balance and thinks of his girls as an asset to his holistic development.

Mr. Francis would like to encourage staff of the Department to follow their dreams. He says “ One must be able to make the sacrifice. Every dream is attainable if you set your mind to it !”

# Revenue Collections

For the Year April 1999 to March 2000



What an achievement! A preliminary analysis showed our Department surpassed the projected Revenue Collections for the fiscal year 1999/2000 by 14.7 million dollars !!!

This was indeed no small feat and was due to the increased level of compliance by taxpayers and of course the efficient team work of staff.

Our spirits were raised by the commendations received from none other than the Minister of Finance and Prime Minister, Hon. Dr. Kenny Anthony.

Let's keep up the momentum and great work and continue to exceed the expectations of the Government and people of St. Lucia.

**If someone says something unkind about you, live your life so that no one will believe it..**





Prime Minister  
Saint Lucia

May 09, 2000

Mr Trevor Brathwaite  
Comptroller of Inland Revenue  
Inland Revenue Department  
Government Buildings  
CASTRIES

Dear Mr Brathwaite

I have just been advised of the collections performance of the Department for the fiscal year 1999-2000. I am pleased to note that the preliminary figures indicate that the Department exceeded its Revenue goals by 9.5%!

While a portion of this result can be attributed to the growth experienced in the economy, I must however commend you on the performance reflected in the increase recorded for Income Tax Arrears. The figures indicate that the Department exceeded its target by 30.4%. This certainly indicates that everyone in the Department made a direct contribution to this result as the collection of arrears involves personal effort by the Department.

I note too that there are other areas for improvement, such as Property Tax collections. But I am confident that we will be able to measure improvements in this area during this fiscal year.

I therefore would like to offer my congratulations to the staff of the Department for the good work done and wish you all the best in anticipation of similar results for the fiscal year 2000-2001.

Please share this letter with members of your staff.

Yours sincerely

KENNY D ANTHONY  
Prime Minister

Cc Dr Bernard La Corbiniere, Permanent Secretary, Ministry of Finance & Economic  
Affairs  
Mr Lawrence Poyotte, General Secretary, St Lucia Civil Service Association

## VIEWPOINT

### TAXING THE SELF EMPLOYED AND THE INFORMAL SECTOR

*[Excerpt from a paper prepared by Mr. S. Dickson and Ms. A. Sonson and presented by the Comptroller (Mr. Trevor Brathwaite) at the 18th Conference of the Commonwealth Association of Tax Administrators]*

Self employed persons in both the formal and informal sectors have historically been a problem for tax authorities - St. Lucia being no exception. The "problem" arises from the fact that these taxpayers employ a variety of "schemes" which enable them to avoid either being assessed on their total income or even to be assessed at all. Most common of which is the receipt of fees in cash for work done while not issuing receipts. The paucity of resources in small nations severely inhibits our ability to fully tackle this group. Included in the group of self employed, are individuals who rent/let/houses/apartments, contractors and professionals.

From income year 1986, St. Lucia introduced a system of self assessment for individuals. However, the Department experienced a number of teething problems such as the declaration of information and under-reporting of income from Proprietors, Contractors and other Professionals.

Faced with these issues the Department has been using moral suasion with limited success to have self employed taxpayers fully comply with the Tax Act. Additionally, the use of third party information obtained from audits and other conventional sources has assisted significantly in registering and assessing the self employed.

There is need for more in-depth audits to be undertaken, while auditors need to be more vigilant and observant when executing their functions. This will greatly boost the Department's capabilities in identifying and having control over this elusive group. The Audit Section should develop more innovative bases for determining the income of this sector.

The introduction of the Standard Integrated Government Tax Administration System (SIGTAS) saw the undertaking of an island-wide registration campaign to update the Tax Roll. This exercise is continuing to ensure that all taxpayers are registered.



**"The best way to eliminate any enemy is to make him a friend."**

In St. Lucia there has been no recent study to determine the size of the informal sector. Tax Administrations generally underestimate the "true" size/volume of the operations, both individually and collectively of this sector. Given the growth which this sector has experienced in recent times, consideration will be given to ensuring that satisfactory mechanisms are put in place to register and assess those persons within the sector who are liable for tax.

The establishment of a mobile Registration Task Force, in-depth scrutiny of tax returns, and networking with other government agencies such as Customs & Excise and the Ministry of Commerce can assist the Department in sourcing information on individuals involved in these sectors. Other sources of information and methods of verification include third party information and information relating to the deduction of payments to individuals for personal services rendered.

The informal sector seems to be more dominant in the low income/middle income earning classes. The highest numbers are found in the low income group. Those are mostly itinerant peddlars who would normally fall below the tax threshold and as a result have little tax potential. The middle income group is made up mostly of professional such as accountants, solicitors, hairdressers and contractors. **This is where the real challenge lies for the Department.**

Currently some means used to source information include third party information and tax withheld from payments to individuals for personal services. However, the sourcing of information is by no means limited to the avenues mentioned.

Tax Amnesties have been tried in St. Lucia on at least two occasions in the past with limited success. Generally, amnesties do not compel taxpayers to file tax returns since they believe that it is a measure to get them on the roll, and

in other cases, they do not even settle their liabilities.

It is our view that the most potent tool that should be utilised with the informal sector should be the introduction of legislation, which would require all self employed individuals to obtain a paid licence from the Tax Department to carry on their trade. However, the biggest hurdle in taking effective action against income earners in the informal sector is the "political" (in the broadest sense of the word) reaction to such measures.

## New Year's Party

The Department jammed the New Millennium in on Saturday, January 1, 2000 at Mr. Laurencin's residence, Corinth Estate. Though the turnout for this event was not as positive as expected, the persons who were there reported that they had loads of fun.



They danced to the music of the Department's own DJ and host of the party, "DJ BIG DOE" and ate the delicious entrees of sliced ham and turkey and main course of macaroni and cheese, corned beef and tuna-fish which were elegantly prepared by Chef Ames.

# What's new in the Sections

## Data Processing

### What's New !!

- On the 6th of March 2000, Ms. Cynthia Cox left the Data Processing Section to join the Audit Section. It was a sad day when she left and she will be greatly missed. We wish her success in her new position as Audit Officer.
- The Assessments Unit recently welcomed its new addition to the family, Mr. Francius Charles. Mr. Charles joined us on the 23rd of February 2000 as an Assessment Officer and so far has adapted quite well to our environment. He has proven that he is capable of handling the work and we are happy to have him back having worked with us under the Short Term Employment Programme (STEP).
- On March 20, 2000 we welcomed back Ms. Stephanie Henry to undertake a special task in designing a worksheet to calculate stamp duty. She is expected to be with us for one month.
- The Assessments Unit recently began to enforce the \$500.00 penalty on companies who did not submit their TD-5's for 1998. This penalty is in accordance with Section 124 of the Income Tax Act, No.1 of 1989. We do hope that this will encourage companies to submit all their TD-5's on time. Assessments also began the assessing and reconciling of Contract Tax.
- The Systems Unit coordinated a trunking exercise at the Vieux-Fort Office. It is indeed great to know that the Vieux-Fort Office is finally getting on track.
- All respect due to Mr. Arnold and his Systems crew in coming up with the brilliant idea of providing top notch entertainment during the filing period. This was indeed a great venture as it eased the tension associated with this time of the year. We want to say thank you and we hope that they will continue.
- Congrats to Ms. Benita Monerville on the completion of her course in Computers for Beginners.

By Leton Clovis, Liaison Officer—Data Processing Section

## Property Tax & Tax Roll

### What's New !!!

1. The Section welcomed Ms. Giselle Casimir to their Valuation Unit in January.
2. Ms. Barbara Monrose and Ms. Mildred Leonce, our temporary officers were assigned to the Tax Roll Unit to assist with the registration of government employees.
3. The Section commenced the valuation of properties in January.
4. A Property Tax Amnesty was announced by the Prime Minister in his budget address of March 28, 2000.
5. Congratulations are in order to Mr. Mathurin and Mr. Louisy on the birth of their baby boys!

By Peter Clery Auguste, Liaison Officer—Property Tax & Tax Roll Section

## Administration & Objections

### Birthday Fund Treat

- The Section organised its quarterly Birthday gathering to celebrate members' birthdays which fell within that period. This was very well attended and everyone enjoyed the event which was aimed at fostering better staff relationships. Allison and Ixora-Rose are to be commended for the planning of this event which was a real treat.

### I.R.D. Identification Cards

- The Section was also responsible for issuing I.D. cards to staff members. These I.D. Cards are issued to ensure proper identification when staff members represent the Department at various functions.

By Hannah Epiphane, Liaison Officer—Administration & Objections Section

## Collections

The Section welcomed a new staff member Mr. Al Elliott on March 2, 2000.

By Felicia Leon, Liaison Officer— Collections Section

## Farewell !!!



Left to right: B. Monroe, K. Williams, S. Ju Baptiste, I. Griffith, S. Willie, M. Inglis / stooping: M. Leonce



A. Samuel receiving his certificate from Mr. Degazon

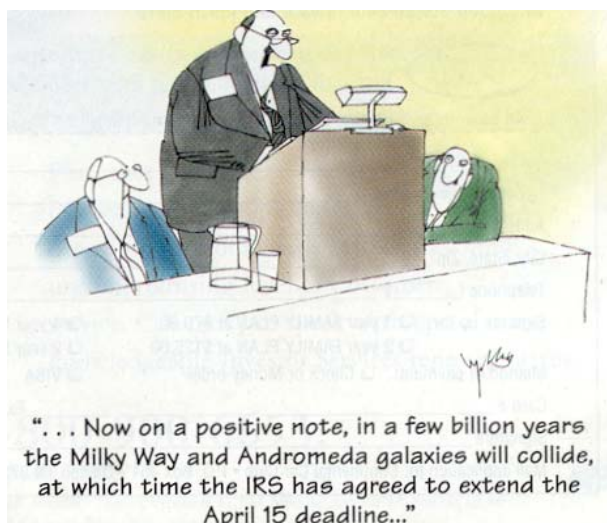
The Department bade farewell to the temporary officers who were assigned to our special annual project.

There was a small good-bye treat for the officers whose last day at Inland Revenue was the 31st March 2000. At this treat the officers were awarded Certificates of Appreciation for their hard work. After the formal part of the afternoon was over, they were treated to eats and drinks.

Having something to say is always more important than wanting to say something.



## Giggles! Giggles! Giggles!



- What's the difference between an overzealous tax auditor and a rottweiler? Answer: "A rottweiler eventually lets go!"
- Why do sharks not attack tax auditors? Answer: Professional courtesy.
- Some say that nobody should keep too much to themselves. The tax office is of the same opinion.

Tax Quote:

"In this world nothing is certain but death and taxes"

# I.R.D. Word Find

A S E T S Y L A N A F U T R A  
 F T Y U I I N S P E C T O R D  
 F F G H J R D G E W S F E E E  
 S E C R E T A R Y L L Y Y K L  
 L O I N Y C L E R K W P T E R  
 G F A T Y O C C H A O T A A E  
 H E N L M M L I L R I N R S L  
 L W A F B P E F W E E R A S L  
 M N T Y R T A F R R T O T E O  
 A K Y E K R N O T A S S R S A  
 T H P A T O E X I N P S P E C  
 N U R C A L R A Y R X E P T I  
 S A E C X L C T O W R S S A R  
 D Q T O O E A T N E M S S E E  
 E W Y U F R I R R D U A E S T  
 B W U N F D W F R P T C C S T  
 T A P T U A D F E R E A O E C  
 A E V A L U A R K F S U R G W  
 S T F N R R V T C E L L O C Y  
 D P I T E I O I T R L L K W R  
 F M C G S R O T A U L A V E F  
 Y O R O T C E L L O C O J T H  
 T C R Y T O B M B K L O P Q F

Here's a Word Find of the various positions at the Inland Revenue Department. It took someone 10 minutes to find all the words.

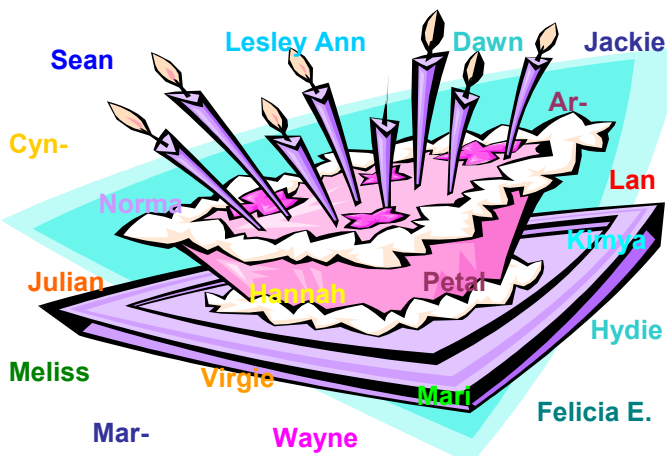
How long will it take you??!

Enjoy . . . !!!

- CLERK [ ]
- INSPECTOR [ ]
- ACIR [ ]
- LAWYER [ ]
- ACCOUNTANT [ ]
- SUPERVISOR [ ]
- CLEANER [ ]
- ANALYST [ ]
- TAX OFFICER [ ]
- COMPTROLLER [ ]

## Birthday Corner

Let's see whose names are around the cake this quarter happy Birthday greetings:



Remember people who will lie for you, will lie to you.



ReveNews was written and produced by the Taxpayer Relations Unit of the Inland Revenue Department - St. Lucia

**May 2000**