

RevONews

INLAND REVENUE'S QUARTERLY NEWSLETTER

Contact us at ird_relations@candw.lc

Volume 9, Issue 3

OcTOBER TO DECEMBER, 2004

COTA Essay Competition for Secondary Schools Prize Giving Ceremony

The Department hosted the Prize Giving Ceremony of the COTA Regional Essay Competition, "The Human Side of Taxation" on November 3, 2004 at the Property Tax Conference Room in La Clery.



Essay winners Moses Ephraim, Kathie Francis and Kendy Jean posing with Comptroller Mr. James Charles.

The ceremony was attended by the three (3) winning participants at the local level, namely Messrs. Kendy Jean, Moses Ephraim and Kathie Francis, the Management and representatives of the Inland Revenue Department, representatives of the participating schools and the Chief District Education Officer, Mr. Julian Delauney.

(Continued on page 6)



Ms. Lesley Ann Modeste making remarks on behalf of COTA.

WHAT'S INSIDE

Editorial	2
Revenue Collections	3
Tax Reform?	4
Ag. Deputy CIR attends Taxation Seminar in Japan	5
COTA Essay Prize-Giving	6
News from the Sections	8
UPDATE: IRSC	10
HealthWatch	11
Taxin Your Brain	12

Editorial Committee



**Peggy Ann
Soudatt,**

Ag. ACIR - Administration



**Lisa Good-
man,**

Supervisor, Customer Ser-



**Arlene Wil-
liams,**



**Carolyn Em-
manuel,**

Data Processing



Petrina John,

Audit



**Benita
Mathurin,**

Property Tax



**Luciana
Simon,**

Collections



**Shakeena N.
Jean,**

Administration



Leandra Felix,

Office of the Deputy Comp-
troller

Editorial "Things Change"

by: Ms. Peggy Ann Soudatt, Assistant Comptroller -

The concept of change is one that is normally met with a fair amount of resistance. To the best of us the concept of change is interpreted as uncertainty, doubt, discomfort, ambiguity, distrust, to name a few.

In order to succeed we must widen our scope to take into account the dynamic environment in which we exist. The words of Thomas Carlyle reminds us that change, though difficult, is necessary. He wrote:

***"Today is not yesterday. We ourselves change.
How then can our thoughts, if they are always to
be the fittest, continue always the same. Change,
indeed, is painful, yet ever needful; and if memory
has its force and worth, so also has hope".***

The advent of globalization and the tremendous strides taken in globalization and technology have affected the Caribbean region in a number of ways: The introduction of CSME, the proposed Revenue Authority for the OECS, and even closer to home the proposed amalgamation of the Customs & Inland Revenue Departments have now opened up new opportunities and threats. These are all changes that are likely to affect us, if they have not already done so. Our ability to manage these changes is what will determine our successful adaptation.

As individuals, our readiness to manage change starts with us recognizing the need for change; recognizing the benefits and/or disadvantages of that change; and identifying the impact of the change on us. In so doing, we will be able to devise ways to manage that change to suit our situation. Our ability to manage change and the inevitable stress that follows will no doubt lead to happier lifestyles.

Similarly, as persons responsible for change, our ability to make change more appealing depends on the manner in which such change is approached. Change will no doubt breed resistance, as it leads us to the unforeseeable. People will resist change if they have not understood its purpose. Therefore, those responsible for driving change must recognize and understand the fears of persons who would be expected to accept the change. This can be achieved through active participation and more so through a thorough understanding of what is to be achieved by effective education.

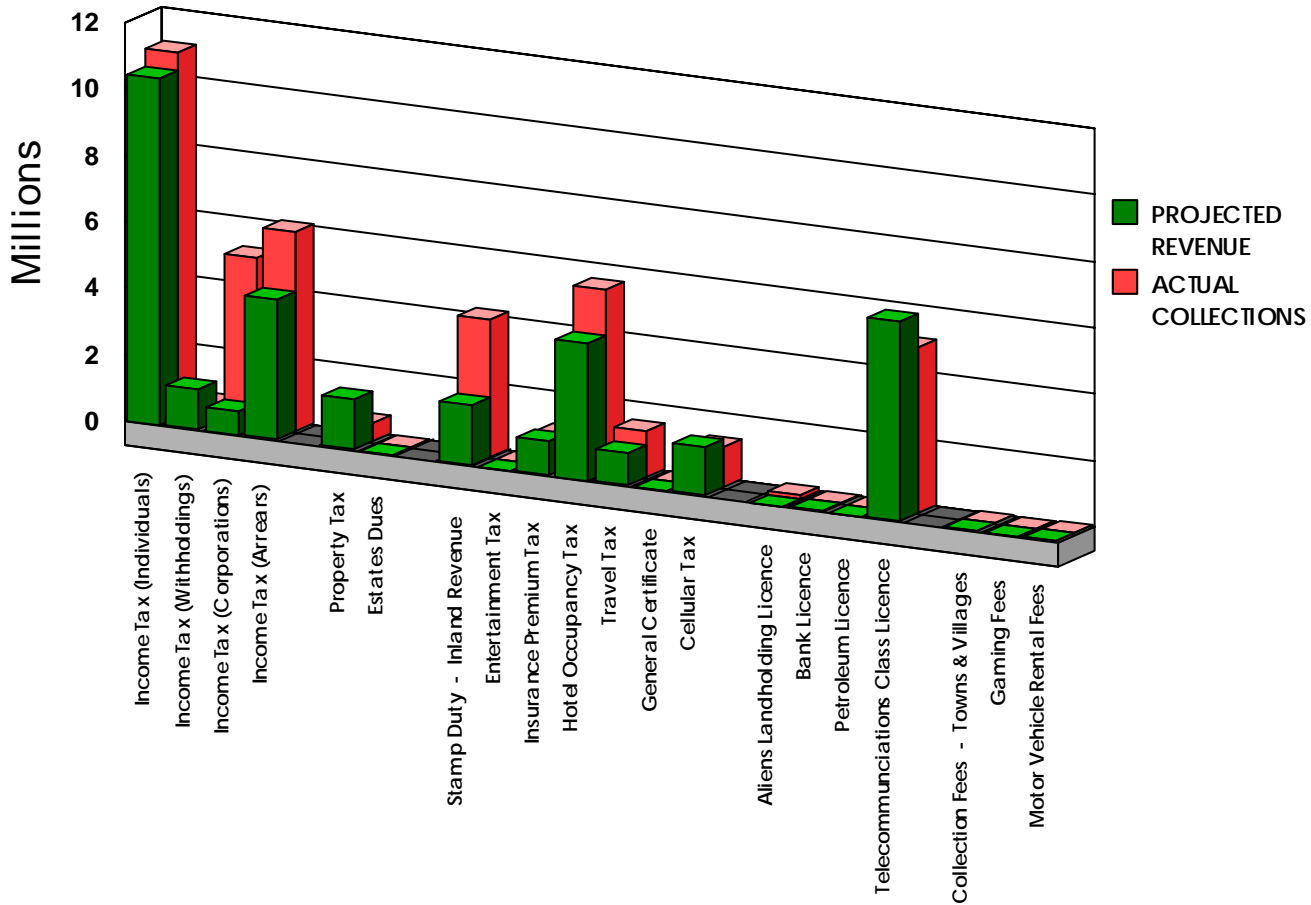
Change is not easy and not final — change will come with its challenges. However, if change is not encouraged and managed, we should be frightened.

**"He that will not apply new remedies must expect
new evils", Francis Bacon.**

Revenue Collections

October to December, 2004

by: Mrs. Denise Regis, Assistant Administra-



The Department has surpassed its target for the quarter, October to December, 2004. The projected revenue for the quarter was \$33,683,321 with actual collections being \$42,461,760. The Department surpassed its projections by \$8,778,439

The following revenue heads have fared exceptionally well:

- Stamp Duty
- Income Tax (Individuals)
- Income Tax (Arrears)
- Hotel Accommodation Tax

Once again the staff of the Department must be commended for their continuous commitment and hard work.

This is however, no reason for the officers of the Department to “sit back and relax”. There are still many avenues to explore and mechanisms that can be implemented in order to increase the efficiency of our system collecting. Let us continue working together with an attitude of excellence as we seek to achieve the goals of the Department for the final quarter of the financial year and surpass the projected target.

Tax Reform?

by: Ms. Mansley Popo, Planning

A report prepared by the Tax Reform and Administration Commission of the Eastern Caribbean Currency Union (ECCU) in June 2003 entitled "NEW APPROACHES TO TAXATION AND TAX ADMINISTRATION IN THE EASTERN CARIBBEAN CURRENCY UNION" was released on the Government website a few months ago. The Framework recommends new approaches to Taxation and Tax Administration to be implemented in Saint Lucia and the wider OECS.

The Government of Saint Lucia is to review this report and develop a Framework for Tax Reform in Saint Lucia. It is on this basis that a Steering Committee was put in place by the Government comprising members of both the private and public sectors namely:

Mr. Brian James, Chairman, Mr. Philip Mc. Lauren, Mr. Laurie Barnard, Mr. Gerard Bergasse, Ms. Earlene Huntley, Ms. Mansley Popo, Mr. Herman St. Helene and Ms. Aurea Lafeuille.

The objectives of the committee are as follows:

- To review the report entitled "New Approaches to Taxation and Tax Administration in the Eastern Caribbean Currency Union";
- Analyze the likely revenue impact of the proposals with respect to St. Lucia;
- Develop and analyze new modalities which will improve the effectiveness and efficiencies of Taxation and Tax Administration, taking into consideration new developments in Trade and Information Technology;
- Develop the new processes and an appropriate implementation schedule for the institutionalization of Tax Reform in St. Lucia; and

- Oversee the effective and efficient implementation of these processes and update and revise as necessary.

The committee members are required to undertake interviews and an in-depth examination of available reports, studies, documents and laws considered pertinent to the Tax Reform Process. As a result, members of the committee will require the Department's input into the process and may need to conduct visits to the Department.

The report highlighted, on one hand, the inefficiencies of the Inland Revenue and Customs and Excise Departments with regards to work processes and systems in operation at these Departments. The Commissioners also proposed recommendations on ways of improving efficiency and effectiveness within both Departments.

Presently, the work processes of both Departments are being compiled and reviewed by the Committee, after which, new and more efficient processes will be developed. The Committee will need to hear your views on ways of improving the processes and systems that currently exist in the Department in an effort to make them more efficient and effective.

It is therefore advisable that staff members read the report to be well informed of the proposed recommendations of the Commissioners and to be able to make a meaningful contribution to Tax Reform in Saint Lucia. Your suggestions/comments are welcomed as to the way forward in making the Inland Revenue Department a more efficient and effective revenue-generating agency, not only in collections but also in service delivery.

Remember that our future is at stake here, so make it *your* business!

The Acting Deputy Comptroller attends International Seminar on Taxation in Japan

by: Ms. Adria Rose Sonson, Ag. Deputy



Ms. Sonson with a Lec-



Ms. Sonson with fellow participants, lecturers and

Ms. Adria Rose Sonson, Acting Deputy Comptroller, attended the 2004 International Seminar on Taxation in Japan. The Seminar, sponsored by the Japanese International Co operation Agency (JICA), facilitated some nineteen (19) participants mainly from Asia (China, Japan, Thailand, Indonesia, Sri Lanka) and Eastern Europe (Tajikistan, Turkey). The two participants from Africa were from Tanzania and Ethiopia. Ms. Sonson was the only representative from the Caribbean.

The Seminar focused on two (2) main areas: the Japanese Tax System, which is recognized as being one of the most effective and efficient in the world; and International Taxation. The Japanese Tax System was facilitated by lecturers of the National Tax College (NTC) and officials of the National Tax Agency (NTA); and International Taxation, by

officials from the Organisation for Economic Cooperation and Development (OECD).

Though much of the Seminar focused on lectures, participants also got the opportunity to visit the headquarters of the National Tax Agency and the National Tax College and some many tax bureaus and offices across Japan.

Ms. Sonson and her fellow participants also got the opportunity to visit Hiroshima (site of the 1945 atomic bombing of Japan); the historic city of Kyoto; the Golden Temple and many of the other historical and cultural wonders that Japan is famous for.

At the end of the Seminar, participants were awarded certificates.



COTA Prize Gi

(Continued from cover page)

The Management Team of the Inland Revenue Department contributed towards prizes for winning participants at the local level – they were all awarded with silver Cross pen sets.

Ms. Kathie Francis was awarded the COTA prize for 2nd Place in the Regional Competition. Her prize was a Dell Inspiron 5160 laptop and Dell Photo Printer 922. The winning school, the Sir Arthur Lewis Community College received a Dell Dimension 4600 series DeskTop and a trophy.

Mr. Delauney delivered the feature address, he congratulated COTA for their initiative in undertaking such a competition and suggested that competitions of this nature should be encouraged. Mr. Delauney saw the effort as being twofold in the sense that it increased sensitization of the tax issues and also provided an avenue to students to improve their language skills. He also congratulated the top three



Winner's trophies.



Mr. Moses Ephraim, Ms. Kathie Francis & Ms. Kendy Jean with their awards.



Mr. Julian Delauney, District Education Officer making the feature address at the Prize Giving Ceremony.

ving Ceremony



Ms. Kendy Jean of the Vieux-Fort Comprehensive Secondary School, 1st Place winner on a local level accepting her award from Mr. Kenrick Haynes, Assistant Comptroller.



Teacher from the Sir Arthur Lewis Community College receiving school's trophy.



Mr. Moses Ephraim of the Vide Boutielle Secondary School, 2nd Place winner on a local level posing with Mr. Kenrick Haynes, Assistant Comptroller.



Ms. Kathie Francis of the Sir Arthur Lewis Community College, 2nd Place winner in the Regional leg of the competition and 3rd Place winner of the local level.

Administration

As usual, the staff of the Administration Section were busy carrying out their many endeavours. The first social activity for the quarter was the Jounen Kweyol breakfast and lunch. This activity was held on Friday, October 29, 2004. The menu ranged from hot bakes, floats and cocoa tea to pamié, breadfruit balls and bouillon, not forgetting our national dish, green figs and salt fish. From all accounts, the Creole Day activity was a success and this could be seen on the satisfied faces of persons.



In October members of the Section got together, this time to the tune of Country and Western music. Our masterminds behind our first ever dance were Verne Henry and Tessa Joseph and the very creative designer of the tickets and flyers Arlene Williams. By all accounts the dance was the "BOMB"



The remaining months were peaceful. The Admin staff ended the year with a BANG hosting a terrific end of year lunch. The lunch was a huge success. Special thanks to all who attended and especially the minds behind this awesome lunch Tessa Joseph and Verne Henry and their little helpers Arlene and Shakeena. This section lunch could not have happened without you.

The year has ended but let's keep in my mind that we must continue to strive for excellence in the year 2005. The Customer Service Unit ladies did a tremendous job this year, Refunds continued to handle the pressure nicely, keep up the good work. To the entire Admin staff keep up the good work.. Happy New Year!!!

Audit

After an exuberant and edifying training initiative the auditors were equipped to put their newfound knowledge to use for the Department. The assured team under the guidance of their supervisors began their new mission to re-energize the audit section. This is still work-in-progress and fine-tuning is still undergoing to make the section a more efficient one.

October quickly came along and the Department heralded together for Jounen Kweyol activities. Auditors collaborated and had a Creole breakfast and lunch, not forgetting the local appetizers and snacks. The section was adorned with local fruits, palm branches and the traditional tablecloths. Auditors transformed the section into a Creole village, and the food complimented the initiative. The aroma of hot cocoa tea and ackras filled the air in the morning whilst smoked herring and saltfish manifested the afternoon.

Traditional Creole music permeated the air as auditors enjoyed their scrumptious meals, took in a few folk stories and took time to revive their culture. There was also a 25 cent fee for anyone who spoke English in the food court. This proved very



entertaining and allowed auditors to really identify their peers' knowledge of Patois.

Jounen Kweyol proved to be a great success to the auditors and this year's activities will always be etched in the minds of auditors and the Department as a whole.

News from the Sections

Audit cont'd

With the end of the year speedily approaching auditors decked their halls so as to create the perfect ambience to bring in the festive season.

It was not all gleefulness in the section, though, as we bade farewell to Miss Venus Alcindor, who was transferred to the Office of the Prime Minister. We congratulate her and wish her success.

We are also elated to announce the return of Mr. Augustus Amedee; we say, "Welcome back and how good it is to have you back on the Audit Team!"

Auditors are currently developing their new mission to start the New Year with a clear vision and beginning of projects.

There was an increase in the number of objections made during the quarter in respect to Mortgage interest. The Department must make a concerted effort to ensure that taxpayers are aware that upon requesting interest statements from the financial institutions, they should ensure that a breakdown of the interest amounts be given instead of an amalgamated amount, especially in cases where the individual maintains more than one loan agreement with the financial institution.

In December the Vieux Fort Tax Service Center welcomed Ms. Tranetta Samuel on appointment as a Collections Officer. We would like to wish her the best of luck on her new endeavours and hope that she strives to be the best collections officer.

Treasureable tokens were received from 'gorgeous', 'thoughtful' Adria 'Halle' Sonson on her return from a three month seminar in Japan.

Leandra, Merlin and Shalan celebrated their birthdays during this quarter.

We would like to take this opportunity to wish our co-workers in Castries a very productive 2005.

Collections

The Collections Section recorded a very good quarter October to December, 2004 by exceeding the projected figures in most of the tax heads, notably Personal Income Tax, Corporate Income Tax, Hotel Accommodation Tax and Travel Tax. Of special note also is the Arrears collection which was surpassed in excess of 25%. An excellent job, but one which we believe is highly attributable to the Tax Arrears Payment Plan (TAPP) which has been on-going from June 2002 and is scheduled to end March 31, 2005. Many persons took the opportunity to comply and took advantage of the waivers.

We experienced some changes in the movement of staff as we bade farewell to Ms. Felicia Elie who was transferred to the Audit Section. We do wish her well in her new role.

We also recognized two birthdays in the month of December, Mrs. Marcia Vite and Bernard Cornibert. We wished them health, happiness and many more birthdays!!!!

Dates to Remember

15th of the Month The following are due and payable:

PAYE; Withholding Tax; 10% Contract Tax Travel Tax; Insurance Premium Tax; Hotel Accommodation Tax; Motor Vehicle Rental Fee

March 25th Tax Instalments are due for

Companies; Self-employed persons; Professionals

January 31st

- **Deadline for payment of:**
 - Bank License**
- **Deadline for submission of Employer's Annual Return (TD5);**
- **Contract Tax Annual Return;**

Failure to remit the above on the specified dates will result in the imposition of penalty and interest charges in accordance with the Income Tax Act.

March 31st

- **Filing of Income Tax Returns.**

Remember to attach all supporting documents when submitting your Income Tax Return.

News from the Sections

Property Tax Revaluation Project

The Inland Revenue Department (IRD) has been given the responsibility of managing Property Taxes island-wide. Therefore, in order for the IRD to carry out its mandate effectively, there must be a comprehensive valuation of all properties island-wide. This stems from the fact that the Tax Rolls inherited by the IRD were old (in some cases dating back to the 1970's), incomplete, and inequitable, since property valuations in the past were undertaken using inconsistent methods.

Members of the public have for years expressed concern about this lack of equity, especially where similar properties within the same geographical area have significantly unacceptable variations in their assessed values and associated taxes.

The Department, realizing the need to update and improve the management of Property Tax, has already embarked on an initiative to raise the public's awareness. To date at least a dozen community meetings have been held around the island, GIS interviews and Department-produced publications have also been issued.

Though the public relation has been successful in raising awareness, the deficiencies previously mentioned have not made it easy for the IRD to increase taxpayer compliance and confidence in the system. This can only be achieved if all taxable properties are properly identified, registered and assessed.

The island-wide revaluation, which the Inland Revenue Department is currently undertaking does not automatically translate to an increase in taxes but aims to achieve the following:

- A fairer and more equitable property tax system;
- Properties are assessed using internationally acceptable and transparent methods, thereby minimizing some of the existing unacceptable variations in values and thus the tax;
- A tax roll that is 100% complete and accurate (all taxable properties will be captured by this exercise);
- Reliable information able to be presented to the Ministry of Finance for budgeting and development of fiscal policy.

The valuation exercise has created employment for over 24 young persons who have been thoroughly trained to effectively perform their duties.



UPDATE:

Inland Revenue Sports Club

The Inland Revenue Sports Club (IRSC) is presently preparing to attend the 8th Annual Regional Revenue Officers Games which will be held in Barbados from March 24 to 28, 2005. The theme for the games is "Building Together in Unity".

The revenue games afford revenue officers from the OECS an opportunity to interact with each other in an informal environment through their participation in sporting and cultural activities.

In the spirit of unity our Barbadian colleagues have included a new item on the agenda - that of "Festival West Indies Tape Ball Night Cricket. This cricket match will see two representatives from each of the participating islands forming two teams which will compete against each other. The highlight of this game is that one member from each country has to be age 35 or more and the other age 34 or less. Representing St. Lucia will be our No. 1 cricket fan and player Eucharius Auguste and our star batsman Tennyson Glasgow.

Club members can look forward to a number of fundraising efforts in order to acquire the much needed funds to purchase our sporting uniforms. Persons interested in attending the Games can contact any member of the Club for information regarding airfare and accommodation.

Multi-Tasking & Efficiency - Hmm!



by:
Ms. Paulmina Desroses,

Employees are being preached to continuously about being expected to complete certain tasks by a certain deadline; therefore the advent of multi-tasking - - but what about efficiency?

Which one is more important? Getting a few tasks done simultaneously in a given period of time, or getting some of them done thoroughly, and the rest done the next day.

This also raises another question. **Is multi-tasking for everyone?** Let's face it, some of us are quite capable of talking and writing at the same time or talking and typing at the same time. But can all of us do that? While we are talking, are we writing down or typing the correct information? Or do we want to ask the client to hold on or wait while we take down the information?

It is all well and good for us to want to be able to do more than two things at once. But if you realize that you are not good at it, take your time. Try yourself over a period of time and as you go along, you will get better at time.

If your Supervisor asks you to get in touch with six (6) taxpayers for the day and in addition write them letters requesting certain information after you have contacted them, you have to know yourself as an individual to know whether you are capable of handling different tasks at the same time. If you are uncomfortable with handling more than one task at a time, please inform your Supervisor that you are not yet on par with multi-tasking, and if his concern is about efficiency in serving the customers, he will understand. Give yourself a quota as to the number of taxpayers that will be able to get in touch with on that particular day and work with that; instead of getting in touch with all of them hurriedly, and writing the wrong letters to them. **YOU GET THE PICTURE?** In that way, you will avoid wasting, not only your time, but the Government's time and stationery as well.

Never be ashamed to admit that you cannot perform a task, or that you are not yet able to do it. **YOUR PEERS WILL RESPECT YOU FOR THAT . . . AFTER ALL YOUR REPUTATION IS AT STAKE!!!**

**EFFICIENCY COMES FIRST!
MULTI-TASKING COMES WITH
TIME AND EXPERIENCE!!!**

WHAT DO YOU THINK?

Taxin Ur Brain

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

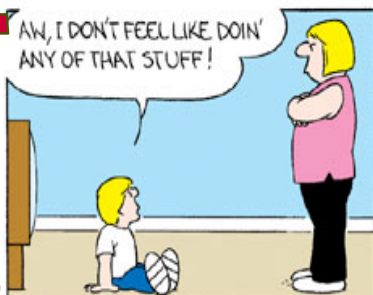
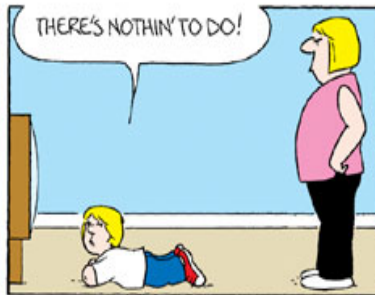
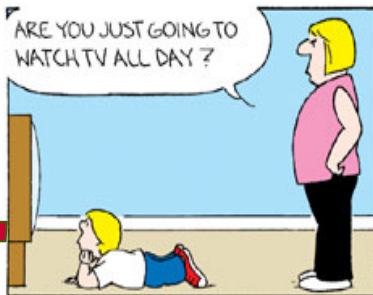
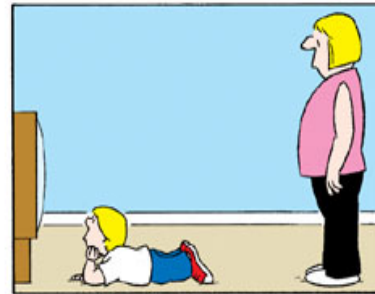
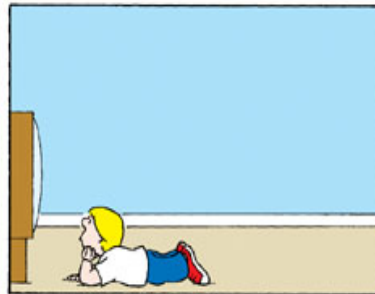
ADMINISTRATORS AGREEMENTS BAHAMAS CARIBBEAN CARICOM COMMONWEALTH COMPETITION COMPTROLLER CONFERENCE COTA DEVELOPMENT ETHICAL HARMONIZATION HUMAN MANAGERS NASSAU OPTIMUM ORGANISATION POLICY REGION REGIONAL RESOURCES RETURN REVENUE TAX TAXATION TECHNICAL

isaijornc
Chuckle!

THE BORN LOSER®



by Art & Chip Sansom



For further information call the Customer Service Unit of the
**Inland Revenue Department at telephone numbers
 758 468 4735/4781 or email us at ird_relations@candw.le.**